Tech Mahindra

ANNUAL REPORT
2014-15

Tech Mahindra Limited

Connected World.
Connected Solutions.

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Amidst emerging markets and an uncertain global business landscape there has been the reflection on the IT industry. We have endured challenges and risen from the phoenix, demonstrating strength and agility in an ever evolving and in a shifting technological landscape.

The year gone by has seen a few bold decisions taken by our leadership. We have invested significantly in research and innovation capabilities for the company. This means, working on developing programs like i5 Startnet which involves creating a start-up ecosystem.

We continue to build more relationships with new customers delivering innovative and superior solutions. We have touched new geographies and transformed more lives; creating not only a business purpose but a sustainable model of giving back to the society. Our capabilities and strengths have further empowered us to expand our competencies with strategic alliances and partnerships. Our new Platform Solutions has leveraged the best in class analytics and service delivery capabilities to provide our customers with solutions that enable scalability and cost predictability - redefining customer engagement models.

Looking forward, we have a rich road map for solutions and services that positions us to thrive in a cloud-first and mobile-first world. With the expertise of 100,000+ associates spread across 90 countries, we are poised for a stellar growth in the years to come.

We continue to defy precincts and push the possibilities; we continue to Rise™.

CORPORATE INFORMATION

Board of Directors

Mr. Anand G. Mahindra, Chairman

Mr. Vineet Nayyar, Executive Vice Chairman

Mr. C. P. Gurnani, Managing Director & CEO

Mr. Anupam Puri

Mr. Bharat N. Doshi

Mr. M. Damodaran

Mrs. M. Rajyalakshmi Rao

Mr. Ravindra Kulkarni

Mr. T. N. Manoharan

Mr. Ulhas N. Yargop

Chief Financial Officer

Mr. Milind Kulkarni

Company Secretary & Chief Compliance Officer

Mr. G. Jayaraman

Registered Office

Gateway Building,

Apollo Bunder,

Mumbai – 400 001.

Corporate Office

Plot No. 1, Phase III,

Rajiv Gandhi Infotech Park,

Hinjewadi, Pune - 411 057.

Bankers

Axis Bank Limited

BNP Paribas

Citibank N. A.

HDFC Bank Ltd.

The HSBC Bank Ltd.

ICICI Bank Ltd.

Kotak Mahindra Bank Ltd.

Standard Chartered Bank

Committees of Directors

Audit Committee

- Mr. T. N. Manoharan, Chairman
- Mr. Anupam Puri
- Mr. M. Damodaran
- Mr. Ulhas N. Yargop

Nomination and Remuneration Committee

- Mr. Ravindra Kulkarni, Chairman
- Mr. Anupam Puri
- Mr. Ulhas N. Yargop

Stakeholders Relationship Committee

- Mr. Ravindra Kulkarni, Chairman
- Mr. Ulhas N. Yargop
- Mr. Vineet Nayyar

Corporate Social Responsibility Committee

- Mr. Vineet Nayyar, Chairman
- Mrs. M. Rajyalakshmi Rao
- Mr. Ulhas N. Yargop

Risk Management Committee

- Mr. T. N. Manoharan, Chairman
- Mr. Anupam Puri
- Mr. M. Damodaran
- Mr. Ulhas N. Yargop

Investment Committee

- Mr. Ravindra Kulkarni, Chairman
- Mr. Anupam Puri
- Mr. Bharat N. Doshi
- Mr. C. P. Gurnani
- Mr. Ulhas N. Yargop
- Mr. Vineet Nayyar

Executive Committee

- Mr. Vineet Nayyar, Chairman
- Mr. Bharat N. Doshi
- Mr. Ulhas N. Yargop

Securities Allotment Committee

- Mr. Vineet Nayyar, Chairman
- Mr. C. P. Gurnani
- Mr. Ulhas N. Yargop

Auditors

Deloitte Haskins & Sells LLP

Chartered Accountants

EXECUTIVE VICE CHAIRMAN'S COMMUNIQUE

Vineet Nayyar
Executive Vice Chairman

Dear Shareholders,

We had a good year amidst economic changes, technology transformations and some degree of global challenges. Against these odds, I am pleased to report that your Company reported revenue growth ahead of the industry growth rate this year. Your Company's revenue grew at 19% in USD terms, and in Rupee terms, revenue was at ₹ 22,621 crore, a growth of 20%.

Last year, the global economy was shaken by a dramatic decline in oil prices, a significant jump in the value of the dollar, a slowdown in China, uncertainty in Europe, and anticipation of a shift in U.S. monetary policy. This sharp divergence between monetary policy in the United States and policy in other major economies has contributed to huge exchange rate volatility which has led to significant appreciation of USD against some of the major currencies we operate-in like, Euro, GBP, AUD, CAD and BRL. Although some of these currencies have partly pulled back from their lows in FY 15, the impact it would have on the competitiveness and the resulting demand for IT services is still under a state of flux.

As always, Technology is continuously transforming every facet of our world and the pace of this change is increasing. At an individual level, we are seeing the trend towards personalization of everything, be it your favourite website or potentially the automobile you would drive. This in itself means a change in how people interact, how they work and how they buy. Today, one needs to personalize at an organization level and customise at an individual consumer level. This requires investment in transformation of both systems and processes, which many of our customers are seeking to fund through optimization and efficiency of their current business base. As our customers go through this change, companies like ours have also evolved to measure ourselves on being an efficient business partner driving value for our clients as they embark on this journey of digitization and modernization.

The other facet is the increasing short lived market trends, which means that time to market and speed of execution have become key differentiators for our customers. Increasing, better and faster connectivity are enabling businesses to make the most of their innovative ideas across a wider and global audience. Connectivity is now an integral part of every process and it is difficult to imagine a field which is not being transformed by this increased "connectedness".

Your company's core strength in Communication and Connectivity, combined with abilities in business and Enterprise systems positions it ideally in this changing environment. Our strategy of focussing on our core strengths in Communications has served us well. In keeping with the pace of change and filling gaps in the Company's portfolio, during the year, we strengthened our competencies with the merger of Mahindra Engineering Services (MES) and acquisitions of Lightbridge Communications Corporation (LCC), SofGen and BASF IT. One of our key priorities for the coming year would be the successful integration of the acquired businesses and helping them excel, and become a part of the larger Tech Mahindra family which stands over 1,03,000 professionals as on 31st March 2015.

We are conscious of the fact that we ended the year on a subdued note and that our company EBITDA margins in the fourth quarter was one of the lowest in many quarters. While our management is tasked for growth and is completely aligned to the needs and opportunities in the market, FY16 will also be a year for all of us to focus on improving some of the operating metrics of the business and we have prepared an action plan for the same.

As we stand at the end of another successful year, I am happy to report that our strong business fundamentals and capabilities will hold us in good stead in the coming years. Our objective will be to drive growth through the investments we have made, whether it is into transformation frameworks, disruptive solutions or growth factories.

We look forward to an exciting and challenging year ahead with new milestones and achievements. As I conclude, I want to thank all of our customers, shareholders, and employees for their continued faith and support in the company.

Sincerely,

Vineet Nayyar

Place: Mumbai
Date: 15th June 2015

CONSOLIDATED FINANCIAL PERFORMANCE FOR LAST THREE YEARS

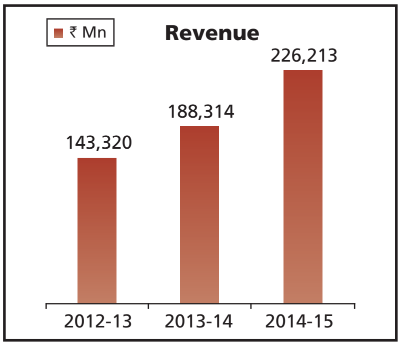
Particulars	2012-13		2013-14		2014-15	
	₹ Mn	US$ Mn	₹ Mn	US$ Mn	₹ Mn	US$ Mn
Revenue	143,320	2,632.7	188,314	3,098.2	226,213	3,686.2
Total Income	145,442	2,671.7	189,444	3,119.0	227,278	3,703.7
EBIDTA (Operating Profit)	30,633	562.6	41,838	687.1	41,528	675.3
PBIT	28,858	530.0	37,746	622.0	36,480	593.1
Interest	921	16.9	799	13.3	299	4.8
PBT	27,937	513.1	36,947	608.7	36,181	588.3
PAT before exceptional, earlier period items and Minority Interest	21,458	394.1	29,424	484.2	26,586	432.2
PAT	19,556	359.3	30,288	498.0	26,277	427.2
EBIDTA Margin %	21.4%	21.4%	22.2%	22.2%	18.4%	18.3%
PAT Margin %*	15.0%	15.0%	15.6%	15.6%	11.8%	11.7%
Equity Capital	2,316	42.7	2,335	39.0	4,804	76.9
Net Worth	68,535	1,262.4	91,820	1,532.4	122,489	1,960.0
Net Block Including CWIP	20,086	370.0	22,966	383.3	28,723	459.6
Investments	14,174	261.1	14,719	245.6	21,028	336.5
Current Assets	89,634	1,651.0	105,472	1,760.2	122,526	1,960.6
Current Liabilities & Provisions	46,531	857.1	45,749	763.5	57,086	913.5
Total Assets	138,105	2,543.8	159,396	2,660.1	198,481	3,175.9
Current Ratio	1.9	1.9	2.3	2.3	2.1	2.1
ROCE % #	41.3%	41.3%	43.0%	43.0%	32.4%	32.4%
EPS (Diluted, in ₹ and US$) ^^	82.4	1.5	126.8	2.1	26.7	0.4

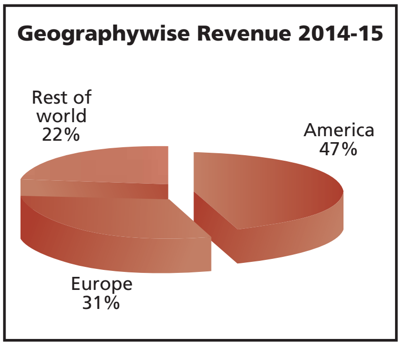
* PAT before exceptional, earlier period items and Minority Interest

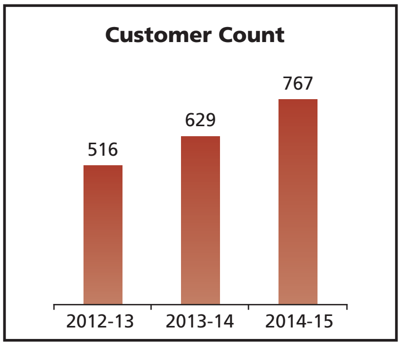
\# ROCE% =PBIT/Average capital employed

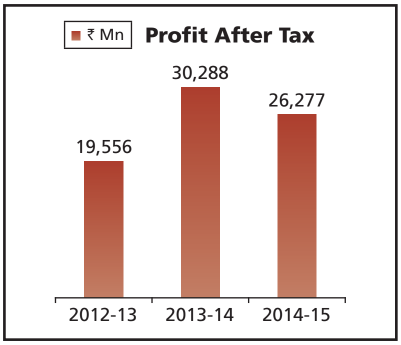
^^ EPS for FY 15 is post issue of bonus shares in the ratio of 1:1 and sub-division of one share of ₹ 10 face value each into 2 shares of ₹ 5 face value each

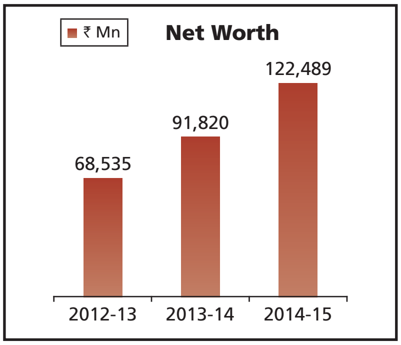
Note : Audit opinion was not obtained on the merged entity's consolidated financials for FY13

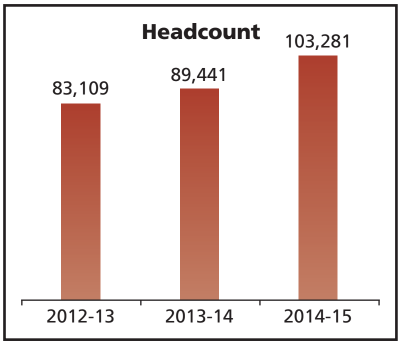












DIRECTORS' REPORT

Your Directors present their Twenty-Eighth Annual Report together with the audited accounts of your Company for the year ended 31st March, 2015.

FINANCIAL RESULTS (STANDALONE)

(₹ **Million**)

For the year ended 31st March	2015	2014
Income	**192,872**	163,654
Profit before Interest, Depreciation, exceptional items and tax	**33,511**	36,316
Interest	**(86)**	(868)
Depreciation	**(4,733)**	(4,270)
Profit before exceptional items and tax	**28,692**	31,178
Exceptional items	**613**	1,200
Profit Before Tax	**29,305**	32,378
Provision for taxation	**(6,743)**	(5,523)
Profit after tax	**22,562**	26,855
Balance brought forward from previous year	**43,856**	27,495
Adjustments on account of Amalgamation	**1,140**	(2,396)
Profit available for appropriation	**67,558**	51,954
Transfer from Debenture Redemption Reserve	**2,972**	2,366
Final Dividend	**(28)***	(1)
Tax on final dividend	**(5)***	-
Dividend (Proposed)	**(5,765)**	(4,669)
Tax on dividend	**(1,173)**	(794)
Transfer to General Reserve	**-**	(5,000)
Balance carried forward	**63,559**	43,856

* In respect of equity shares issued pursuant to exercise of Stock Options after 31st March 2014 but before book closure date, the Company paid dividend of ₹ 27.9 Million for the year 2013-14 and tax on dividend thereto of ₹ 4.7 Million as approved by the shareholders at the Annual General Meeting held on August 1, 2014.

DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 6/- per Equity Share (120%), payable to those Shareholders whose names appear in the Register of Members as on the Book Closure Date.

SHARE CAPITAL

During the year under review, your Company allotted 4,259,011 equity shares of face value of ₹ 10/- each to the shareholders of erstwhile Mahindra Engineering Services Limited ('MESL') upon consummation of the amalgamation of MESL with your Company. Further, your Company allotted 2,572,284 equity shares on the exercise of stock options under various Employee Stock Option Plans.

Your Board of Directors recommended for issue of Bonus shares in the ratio of 1:1 and sub-division of Equity Shares of ₹ 10/- each into two Equity Shares of ₹ 5/- each which was approved by the Shareholders through postal ballot and e-voting on 10th March, 2015. Accordingly, bonus shares in the ratio of 1:1 were allotted to the members who held the equity shares on the Record Date i.e., March 20, 2015 by capitalization of balance in the Free Reserves amounting to ₹ 2,401,615,770. Further, the Equity Shares of face value of ₹ 10/- each were sub-divided into two Equity Shares of face value of ₹ 5/- each by way of corporate action to the shareholders who held the shares on the Record Date mentioned hereinabove.

Consequently the issued, subscribed and paid-up equity share capital has increased from ₹ 2,401.6 Million divided into 240,161,577 equity shares of ₹ 10/- each to ₹ 4,803.2 Million divided into 960,646,308 equity shares of ₹ 5/- each.

BUSINESS PERFORMANCE / FINANCIAL OVERVIEW

The Company offers a full range of IT services and industry specific solutions to its clients. The Company has partnered with several Fortune 100 companies to deliver outstanding solutions across industries. The Company offers a bouquet of services which includes Telecom Services, Consulting, Application Outsourcing, Infrastructure Outsourcing, Engineering Services, BPO, Platform Solutions and Mobile Value Added Services. With an impeccable track record of delivery and strong alliances with leading technology and product vendors, the Company serves 767 customers, including several of the Fortune 500 Companies. Your Company has 85 delivery centers and 49 sales offices spread over India & abroad.

In the fiscal year 2014-15 the Company's consolidated revenues increased to ₹ 226,213 Million from ₹ 188,314 Million in the previous year, a growth of 20.1%. The growth during the year was led by acquisitions as well as organic growth. The geographic split of revenue was balanced with 47% share of Americas, 31% share of Europe, and 22% from Rest of the World.

The consolidated Profit before Interest, Depreciation, Tax and Exceptional Items was at ₹ 42,594 Million, against ₹ 42,968 Million in the previous year. The consolidated Profit after Tax, amounted to ₹ 26,277 Million as against ₹ 30,288 Million in the previous year.

The number of customers increased from 629 in the previous year to 767 at the end of fiscal year 2014-15.

In emerging areas of Big Data, Mobility Network, Cloud, Security, Platforms and Engineering Services, Tech Mahindra is well placed with its breadth of service offerings. Your company has also progressed well in building intellectual property through various Products & Services and Platforms. Your Company is committed towards building a synergistic relationship with its partners to enable, deliver, complete and customized solutions to customers. During the year, Tech Mahindra has developed an integrated program 'BROP' (Building Relationships and Opportunities and Projects) program, which helps partner organizations and customers to succeed.

In summary, Tech Mahindra is well positioned in the markets it serves with a broad range of service offerings and a diversified customer base.

MERGER

During the year under review, the Scheme of Amalgamation and Arrangement between your Company and Mahindra Engineering Services Limited (MESL) got consummated on December 8, 2014. Subsequent to the Scheme of Amalgamation & Arrangement between MESL and Tech Mahindra Limited becoming effective, the Board of Directors fixed December 17, 2014 as the Record Date for MESL Shareholders for issue of Tech Mahindra Shares in the approved share swap ratio. This resulted in the issued capital of your Company going up from 236 Million shares to 240 Million shares. The shares swap got completed and the Stock Exchanges accorded their approval for trading of the new shares effective January 8, 2015.

ACQUISITIONS

Lightbridge Communications Corporation

Your Company acquired 100% shareholding of Lightbridge Communications Corporation (LCC), a Global Network service leader, through its wholly owned subsidiary Tech Mahindra Americas Inc. USA effective January 2, 2015. LCC is one of the world's largest independent Global providers of Network Engineering Services to the Telecommunication industry.

The acquisition gives your Company an opportunity to offer full range of network services and integrated infrastructure solutions to both communication service providers as well as to the ecosystem of partners who cater to the communication sector. LCC has presence in over 50 countries. LCC has built 350 networks and designed more than 350,000 cell sites for over 400 customers worldwide.

Sofgen Holdings Limited

Your Company acquired 100% shareholding of SOFGEN Holdings Limited (SOFGEN), a niche consulting and Services Company with worldwide presence specializing in Private, Wealth, Commercial and Retail Banking solutions, with effect from March 13, 2015.

The acquisition gives your Company an opportunity to enhance expertise and to implement modernized Core Banking & Transformation services capabilities.

FixStream Networks Inc

The Company on 18th April, 2014 entered into an agreement to acquire majority stake (75%) in

FixStream Networks Inc (FSNI), a technology startup Company, and it has completed the acquisition on April 30, 2014.

Tech Mahindra Business Services GmbH

Tech Mahindra GmbH, a wholly owned subsidiary of the Company in Germany, entered into a share and asset purchase agreement with BASF Business Services Holding GmbH in February, 2014 for acquiring 100% stake in the equity of BASF Business Services holding GmbH (BASF). Upon payment of the consideration on July 29, 2014 the shares were transferred in the name of Tech Mahindra GmbH and its nominees were appointed on BASF's Board of Directors. Subsequently, BASF's name was changed in August 2014 to Tech Mahindra Business Services GmbH.

Complex IT

As you know your Company had acquired 51% stake in Complex IT one of the largest SAP consulting providers in Brazil through its wholly owned subsidiary Tech Mahindra Servicos De Informatica LTDA in May 2013. During the year under review, the balance stake of 49% in Complex IT Services was acquired. As at 31st March, 2015, Complex IT Services has become a 100% subsidiary of Tech Mahindra Servicos De Informatica LTDA, a wholly owned subsidiary of your Company in Brazil.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ ASSOCIATE COMPANIES

As on 31st March, 2015, your Company has 149 Subsidiaries which includes 109 step-down subsidiaries and 4 Associate Companies. There has not been any material change in the nature of the business of the subsidiaries. As required under the Listing Agreements with the Stock Exchanges and the Companies Act, 2013, the Consolidated Financial Statements of your Company and all its subsidiaries are provided in this Annual Report. The Consolidated Financial Statements have been prepared in accordance with Accounting Standards AS 21, AS 23 and AS 27 issued by The Institute of Chartered Accountants of India and shown the financial resources, assets, liabilities, income, profits and other details of your Company and its subsidiaries and share in associate company as a single entity, after elimination of minority interest.

The performance and financial position of each of the subsidiaries, associate companies and joint venture companies included in the consolidated financial statement is provided in accordance with the provisions of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014 as a separate statement annexed to the Notes on Accounts containing the salient features of the financial statement of Company's subsidiaries/joint ventures or associate companies in Form AOC – 1.

Pursuant to Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014, the names of the companies which have become or ceased to be the subsidiaries, joint ventures or associate companies during the year are provided in **"Annexure I"** to this report.

During the year the Board of Directors has formulated a policy for determining Material Subsidiaries. The policy is disclosed on the company's website and is accessible on http://www.techmahindra.com/investors/corporate_governance.aspx

HUMAN RESOURCES

The ever dynamic technological landscape of today's world makes it imperative for us to focus on continuously shaping our talent for tomorrow and delivering value to our customers through differentiated service offerings. Associates' career development is therefore a key focus area at Tech Mahindra. We have an effective performance and career management process, 360 degree learning and focused leadership development programs to help associates grow in their careers. Our people practices have received recognition at national and global level, with ASTD (American Society for Training and Development) ranking us amongst the Top 5 organizations, globally, for learning practices as also, our Performance and Career Management practices being recognised amongst the Best Talent Management practices in Asia by L&OD Roundtable for the year 2014. We continued to focus on recognizing, rewarding and enabling higher performance amongst our Associates through various Recognition and Reward Mechanism.

The Company endeavours to create an environment that is encouraging for the associates to innovate and collaborate to leverage the collective knowledge of Tech Mighties. We provide a host of platforms to nurture innovation such as IRIS and the Intrapreneurship Program where associates have the opportunity to pursue their innovative ideas and even commercialize them with support from mentors and resources from within Tech Mahindra.

QUALITY

Your Company continues - to focus on quality and strives to exceed customer expectations at all times. The Company has been successfully assessed at **CMMI Dev & SVC V1.3 L5, TMMi, TL9K, ISO 9001:2008, ISO 20000:2012, ISO 27001: 2005, AS9100** (Standard for Aerospace domain – scope of certification limited to the aerospace business within TechM). In addition to these, your Company has undergone **SA800** certification, a Social Accountability Standard, for applicable accounts as per the contractual obligations and also maintains its commitment to health, safety and environment by continually improving its processes in accordance with **ISO 14001** and **OHSAS 18001** standards.

Your Company is also certified on **ISO 22301:2012** (Societal Security) and has a comprehensive Business Continuity and Disaster Recovery framework, to prevent potential business disruptions in the event of any disaster. It can quickly resume services to customer's acceptable service levels. Automated Service Desk with SLAs for enabling business and Vulnerability Assessment and Penetration Testing Lab for secured corporate network operations are highlights showcasing information security posture of the Organization.

These certifications are testimony of the robustness of business processes and at large the quality culture imbibed in the organization.

Your Company has also introduced high maturity practices to measure the effectiveness of the processes and manages them quantitatively. One such initiative is "Execution Excellence Index" focusing on achieving high project maturity, improved tools usage and standardization, knowledge management and performance on key business metrics, in order to strengthen further the Business Excellence in what the Company deliver to the customers. Your Company is putting all the initiatives in place in order to ensure that it delivers as stated in Quality Policy.

DIRECTORS

During the year under review there was no change in Directors of your Company.

Pursuant to the provisions of Section 152 (6) (c) of the Companies Act, 2013, Mr. Bharat N. Doshi, Director (DIN: 00012541) is liable to retire by rotation and does not offer himself for reappointment.

Mr. Bharat N. Doshi served on your Board since 6th June, 1997 as a Non - Executive Director. The Board places on record its appreciation for the valuable advice and guidance of Mr. Doshi during his tenure as a Director on the Board.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has devised a policy on evaluation of performance of Board of Directors, Committees and Individual directors. Accordingly, the Chairman of the Nomination and Remuneration Committee obtained from all the board members duly filled in evaluation templates for evaluation of the Board as a whole, evaluation of the committees and peer evaluation. The summary of the evaluation reports were presented to the respective Committees and the Board for their consideration.

Policy on Directors Appointment and Remuneration

The Governance policies laid down by the Board of directors of your company include:

i. Policy on appointment and removal of Directors, Key Managerial Personnel and Senior Management

ii. Policy on remuneration to the Directors, Key Management Personnel and Senior Management and other Employees

The extract of these two policies are provided in **"Annexure II"**.

Training

The Company has laid down a policy on training for Independent Directors, as part of the governance policies. The directors are updated on the regulatory changes, Business strategy and operations by the senior leadership of the Company periodically. Apart from this, during the year under review two external professionals provided orientation on latest trends in Cloud and Digital Businesses.

Key Managerial Personnel (KMPs)

Pursuant to provisions of Section 203 of the Companies

Act, 2013, Mr. Vineet Nayyar, Executive Vice Chairman, Mr. C. P. Gurnani, Managing Director & Chief Executive Officer, Mr. Milind Kulkarni, Chief Financial Officer and Mr. G. Jayaraman, Company Secretary are the Key Managerial Personnel of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors, based on the representation received from the Operating Management and after due enquiry, confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

ii. they have, in the selection of the accounting policies, consulted the Statutory Auditors and these have been applied consistently and, reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the profit of the Company for the year ended on that date;

iii. proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the annual accounts have been prepared on a going concern basis;

v. they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

vi. the proper systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has internal financial controls which are adequate and were operating effectively. The controls are adequate for ensuring the orderly & efficient conduct of the business, including adherence to the company's policies, the safe guarding of assets, the prevention & detection of frauds & errors, the accuracy & completeness of accounting records and timely preparation of reliable financial information.

STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, [ICAI Registration No. 117366W/W-100018] the Auditors of your Company, hold office upto the conclusion of the forthcoming Annual General Meeting of the Company. Pursuant to provisions of Section 139(2) of Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, M/s. Deloitte Haskins & Sells LLP are eligible for appointment as Auditors. Your Company has received a written confirmation from M/s. Deloitte Haskins & Sells LLP, Chartered Accountants to the effect that their appointment, if made, would satisfy the criteria provided in Section 141 of the Companies Act, 2013 for their appointment. The Board recommends the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants as the Auditors of the Company from the conclusion of the ensuing AGM to the conclusion of the next AGM.

The information and explanations on the qualification contained in the Auditors' report are provided in detail in the Note 26.3 forming part of the financial statements. Your board opines that no further explanation is required in this regard.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Dr. K. R. Chandratre, Practicing Company Secretary, Pune to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is provided as **"Annexure III"**. There are no qualifications, reservation or adverse remark or disclaimer made in the Secretarial Audit Report.

EXTRACT OF THE ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, the extract of the Annual Return in Form MGT-9 is attached as **"Annexure IV"**.

MANAGERIAL REMUNERATION

Disclosures of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as **"Annexure V"**.

None of the directors who are in receipt of any commission from the Company and Managing Director or Whole-time Director of the Company, shall receive any remuneration or commission from any Subsidiary Company of your Company.

The details of remuneration paid to the Directors including Executive Directors of the Company are given in Form MGT-9 forming part of the Directors Report.

PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 ("the Act") read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. However, pursuant to first proviso to Section 136(1) of the Act, this Report is being sent to the Shareholders excluding the above said information. Any shareholder interested in obtaining this Report, may write to the Company Secretary at the Registered Office / Corporate Office of the Company.

Anti Sexual Harassment Policy

Your Company laid down Anti Sexual Harassment policy and it is made available on the website of the Company. The Company has zero tolerance on Sexual Harassment at workplace. During the year under review there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

EMPLOYEE STOCK OPTION PLANS

Details as required under Rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014 and as required to be provided under the Securities and Exchange Board of India Guidelines as on March 31, 2015 are set out in **"Annexure VI"** to this Report.

CORPORATE GOVERNANCE

A report on Corporate Governance covering among others details of meetings of the Board and Committees along with a certificate for compliance with the Clause 49 of the Listing Agreement issued by the statutory auditors of the Company, forms part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed analysis of your Company's performance is discussed in the Management Discussion and Analysis Report, which forms part of this Annual Report.

RISK MANAGEMENT

During the year, your Company had constituted a Risk Management Committee and approved detailed framework for Risk Management. The details of Committee and its terms of reference including elements of risk as identified for the Company are set out in the Corporate Governance Report and Management Discussion and Analysis Report (MDA) forming part of the Board's Report.

ESTABLISHMENT OF VIGIL MECHANISM

Your Company has laid down Whistle Blower Policy covering Vigil Mechanism with protective Clauses for the Whistle Blowers. As part of the Vigil Mechanism a dedicated telephone line and email address are provided. The Whistle Blower Policy is made available on the website of the Company.

DEPOSITS / LOANS & ADVANCES, GUARANTEES OR INVESTMENTS

Your Company has not accepted any deposits from the public during the year under review. The particulars of loans/advances, guarantees and investments under Section 186 of the Companies Act, 2013 and as per Clause 32 of the Listing Agreement are given in the notes forming part of the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into with Related Parties as defined under Section 2(76) of the Companies Act, 2013 and Clause 49(VII) of the Listing Agreement during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties in the financial year which were in conflict with the interest of the Company and requiring compliance of the provisions of revised Clause 49 of the Listing Agreement. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes forming part of the Financial Statements.

The Company has formulated a policy on materiality of Related Party Transactions and dealing with Related Party Transactions which has been uploaded on the Company's website and can be accessed at http://www.techmahindra.com/sites/ResourceCenter/Brochures/investors/corporategovernence/RPT_Policy_Amended.pdf

The particulars of related party transactions in prescribed Form AOC - 2 is attached as **"Annexure VII"**.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are provided in **"Annexure VIII"** which forms part of this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR vision of your Company is ***"Empowerment through Education."***

In compliance with the guidelines prescribed under Section 135 of the Companies Act, 2013, your company constituted a Corporate Social Responsibility (CSR) Committee. Your Board of Directors laid down CSR Policy, covering the Objectives, Focus Areas, Governance Structure and Monitoring & Reporting Framework among others and the policy is available at http://www.techmahindra.com/society/default.aspx.

Your company's social initiatives are carried out by Tech Mahindra Foundation and Mahindra Educational Institutions.

- **TECH MAHINDRA FOUNDATION (TMF)**

  The Tech Mahindra Foundation, the CSR arm of the Company, established in 2007 as a Section 25 Company, works towards a stated mission: "Educated, skilled and able women and men are a country's true strength".

  During the year under review, Tech Mahindra Foundation expanded its operations to two more locations, upscaling its presence to nine states/union-territories through ten India Chapters – Bengaluru, Bhubaneswar, Chandigarh, Chennai, Delhi-NCR, Hyderabad, Kolkata, Mumbai, Pune and Visakhapatnam. The Foundation ran 135+ high-impact projects with 90+ partners, reaching out to 125,000+ children and youth across these locations.

School Education

The Foundation's work in school education focuses upon three thematic areas: school improvement, teacher empowerment and learning enrichment. The key initiatives include:

All Round Improvement in School Education (ARISE):

Tech Mahindra Foundation's educational initiatives under ARISE are long-term school improvement programmes, run in partnership with local governments and partner organisations. The Foundation has adopted 55+ schools across India and is working with 18 partners to turn them around completely into model schools of excellence. **ARISE+** initiatives encompass educational empowerment programmes for children with disabilities.

Shikshaantar:

Shikshaantar, envisioned for creating a difference to education, describes the Foundation's teacher empowerment and system enhancement programme. Another aspect of Shikshaantar is felicitating outstanding teachers of municipal schools of Delhi through the Foundation's flagship Shikshak Samman Award programme.

Shiksha Samvardhan:

Shiksha Samwardhan, or the education enrichment programme, is a thematic intervention around learning enhancement initiatives of the Foundation, towards making learning interesting, child-centred and activity-based to reduce cumulative burden of non-comprehension and to promote grade-appropriate competencies.

Employability:

Skills for Market Training (SMART) is the Foundation's flagship programme in employability. It is built on the vision of an educated, enlightened and employed India, and a belief that educated and skilled youth are the country's true strength. The programme started with 3 Centres in 2012 and is currently running 65 Centres at 10 locations across India. These include SMART Centres, SMART+ Centres (training for people with disabilities), SMART-T Centres (training in technical trades) and the SMART Academy. The Academy will closely engage with the industry stalwarts for constant curriculum up-gradation and placement.

During the year under review, your Company trained ~12,000 young women and men under its SMART programme. More than 75-80% of the graduates are placed in jobs upon successful completion of the training, across multiple industries.

- **MAHINDRA EDUCATIONAL INSTITUTIONS: TECHNICAL EDUCATION**

  Your Company's initiatives in technical education are carried out through Mahindra Educational Institutions (MEI), under which the Foundation has extended infrastructural and operational support to Mahindra Ecole Centrale, a state-of-the-art technical institution in Hyderabad. The institution offers a four year B Tech Programme in association with Ecole Centrale, Paris under an industry-academia memorandum of understanding with Jawaharlal Nehru Technological University, Hyderabad.

  The institution's vision is to train engineers, to be entrepreneurial and innovative as well as technically trained, so that they are capable of meeting the greatest challenges of the era. It is aligned to MEI's work for the cause of promoting quality higher education by establishing institutions of higher learning, encourage education and research work in different disciplines and to promote innovation and technology development.

The Annual Report on CSR activities is provided as **"Annexure IX"**.

SUSTAINABILITY

Your Company believes in business growth with responsibility. The Company has taken many steps strategically leveraging sustainability to its competitive advantage. Your Company has created "Green" strategies to identify high impact material issues across the social, economic and environmental dimensions and concentrate individually on each one of them with a sole goal of a sustainable business model creating value for all stakeholders. The Company's initiatives aligning economic performance with environmental & social operations has ensured that business growth would not affect the future of our society, its ecological balance and life support functions.

Tech Mahindra has been publishing its sustainability performance since 2007-08 as part of the Mahindra Group Sustainability Report. The detailed Reports are available on the website http://www.mahindra.com/How-We-Help/Environment/Sustainability-Reports

With emerging sustainability awareness in the market we have taken 3 year comprehensive targets against each of the material issues identified which are critical to business operations such as Improving Operational Eco-Efficiency, Associate Care & Development, Creating a Green Value Chain & Societal Care.

Tech Mahindra has managed environmental footprint essentially through a process which addresses issues ranging from Emission Reduction to Water Management and Green Infrastructure. There are also services and solutions for the customers such as bringing data center efficiency, platforms mobility and cloud services.

The Company has continuously striven to fine tune processes and systems in order to identify, quantify and reduce the environmental impacts of businesses and operations. Our efforts can be seen with the efforts put in across various areas in Sustainability Recognitions & Awards bestowed on the Company during the Financial Year 2014-15, mentioned elsewhere under Awards & Recognitions heading separately. During the year under review, efforts were made among others in the following areas:

- Occupancy sensors to reduce the electricity consumption.
- Wealth of Wellness initiative for associate wellbeing.
- Successful commissioning of solar plants at Pune (250kWh) & Chennai (264 kWh) campuses.
- Participation in Carbon Disclosure Project's Supply Chain Program-2014.
- Focused approach towards green solutions for clients that has helped the Company to reduce 5756 metric tonnes carbon emissions per annum.
- The suite of cloud based solutions & platforms of the Company, have showcased benefits in not only better performance but also how they consume less electricity.

AWARDS AND RECOGNITION

Your Company continued its quest for excellence in its chosen area of business to emerge as a true global brand. Several awards and rankings continue to endorse your Company as a thought leader in the industry. The awards / recognitions received during the year 2014-15 include:

- Ranked 5th in IT and Software ranking by DUN and Bradstreet;
- Digital Humanitarian Award at TMF World 2014 for deploying Women Safety Mobile Application Fightback;
- Porter prize in recognition of company's best strategic management practices;
- Businessworld identified Tech Mahindra among the fastest growing companies in India based on financial performance;
- Featured in FINTECH TOP 25 rankings for the year 2014 by IDC Financial Insights;
- The Association for Talent Development has ranked Tech Mahindra as the Top 5 BEST Organization across the globe for employee learning and talent development;
- European Software Testing Awards (TESTA), in the following categories, namely;
  - i) 'The Sogeti Green Testing Team of the Year'.
  - ii) 'Best Overall Use of Technology'.
  - iii) 'The Sage Most Innovative Project'.
- Business Today ranked among the top 50 companies in India's most valuable companies ranking.
- Mr. C. P. Gurnani recognized as the CEO of the Year 2014 by Business Standard;
- Tech Mahindra Foundation (TMF) was awarded Pandit Madan Mohan Malviya Award for 'Best CSR Practices in Education' by CSR Times;
- Mr. C. P. Gurnani, Managing Director and CEO, has been recognized as the 'Business Leader of the Year for Indian Companies in the US' by Indo-American Chamber of Commerce (IACC);
- 'Golden Peacock Award for Excellence in Corporate Governance' from Institute of Directors;
- The Business Services Group of the Company, has been declared as the Winner of 'Golden Peacock National Quality Award' for the year 2014;

ACKNOWLEDGEMENTS

Your Directors place on record their appreciation for the contributions made by employees towards the success of your Company. Your Directors gratefully acknowledge the co-operation and support received from the shareholders, customers, vendors, bankers, regulatory and Governmental authorities in India and abroad.

For and on behalf of the Board

Place: Mumbai
Date: May 26, 2015

Anand G. Mahindra
Chairman

ANNEXURE I

1. **Entities formed/acquired during the Financial Year 2014-15:**

Sl. No.	Name of Company	Sl. No.	Name of Company
1	TechM Canada Inc.	44	LCC Diseno y Servicios Chile
2	FixStream Networks Inc	45	LCC Colombia SAS
3	Quexa Systems Private Limited	46	LCC Central America de Mexico, SA de CV
4	Tech Mahindra Business Services GmbH	47	LCC Peru S.R.L.
5	TechM IT - Services GmbH	48	LCC Service Belgium NV
6	Hedonmark (Management Services) Limited	49	LCC France SARL
7	Satyam Venture Engineering Services GmbH	50	LCC Telecom GMBH
8	Mahindra Engineering GmbH	51	LCC Design and Deployment Services Ltd
9	Mahindra Engineering Services (Europe) Limited	52	LCC Italia s.r.l.
10	Mahindra Technologies Services Inc	53	LCC Network Services, B.V.
11	Tech Mahindra DRC SARLU	54	LCC Projects BV
12	Sofgen Holdings Limited	55	LCC North Central Europe, B.V.
13	Sofgen Americas Inc	56	LCC Europe Cooperatief U.A.
14	Sofgen Services Limited	57	LCC Europe Holdings, BV
15	Sofgen Limited	58	LCC Wireless Communications Espana, SA
16	Sofgen (UK) Limited	59	LCC Telekomunikasyon Servis Limited
17	SC Compania Sofgen SRL	60	LCC United Kingdom, Ltd.
18	Sofgen Luxembourg SARL	61	LCC Wireless Engineering Services, Ltd.
19	Sofgen Ireland Limited	62	LCC Deployment Services, UK, Ltd.
20	Sofgen SA	63	LCC Networks Poland Sp.z.o.o
21	Sofgen Consulting AG	64	LCC Wireless Communications Services Marox, SARLAU
22	Sofgen SaveTax S.A	65	LCC Telecom Infra Projects BV
23	Sofgen SA	66	LCC Telecom Infra Professionals BV
24	Sofgen Africa Limited	67	LCC Installation & Services Projects BV
25	Sofgen West Africa Limited	68	LCC Installation & Services Professionals BV
26	Sofgen India Private Limited	69	Lightbridge Middle East Holdings, Inc.
27	Sofgen Sdn Bhd	70	LCC Middle East FZ-LLC
28	Sofgen Services Pte. Ltd.	71	LCC Engineering & Deployment Services Misr, LTD
29	Sofgen Australia Pty Ltd	72	LCC India Private Limited
30	Lightbridge Communications Corporation	73	LCC Pakistan Private Ltd.
31	Lightbridge North America Holdings, Inc.	74	LCC Saudi Telecom Services, Ltd
32	LCC Wireless Services Canada, Inc	75	LCC Muscat LLC
33	Burgundy Holding Corporation	76	Leadcom Integrated Solutions (LIS)Ltd.
34	LCC Engineering Services Inc.	77	Leadcom EMEA B.V.
35	Opticore Holdings, Inc	78	LeadCom Integrated Solutions International B.V.
36	Opticore Networks, Inc.	79	Leadcom Ghana Limited
37	Opticore Networks EMA, LLC	80	Leadcom Gabon S.A.
38	Opticore EMA, LLC	81	Leadcom Uganda Limited
39	LCC International, Inc.	82	Leadcom DRC Sprl
40	LCC Wireless Services, Inc.	83	Leadcom Integrated Solutions USA Inc.
41	LCC Design Services, Inc.	84	Leadcom Integrated Solutions Tanzania Ltd.
42	LCC Wireless Design Services, Inc.	85	Leadcom Integrated Solutions Rwanda Ltd.
43	LCC Diseno y Servicios Argentina, SRL	86	Leadcom Integrated solutions Tchad SARL

1. **Entities formed/acquired during the Financial Year 2014 -15 (Contd..)**

Sl. No.	Name of Company	Sl. No.	Name of Company
87	Leadcom Integrated Solutions (SPV) SAS	99	Leadcom S.A.
88	STA Gabon	100	Leadcom Telecommunicaciones de Chile S.A.
89	STA Dakar	101	Leadcom Mexico S.A. de C.V.
90	Societe deTelecommunications Africaine (STA) Abidjan	102	Leadcom Integrated Solutions Kenya Limited
91	Coniber S.A.	103	Leadcom Integrated Solutions Myanmar Co., Ltd
92	Leadcom Peru S.A.C.	104	LCC Middle East Holdings, B.V.
93	Servicios Integrales de Telecomunicaciones Y Obras Civiles, Sociedad Anonima	105	LCC Professionals, B.V.
94	Leadcom Bolivia S.R.L.	106	Merlin Projects, Ltd.
95	Leadcom Ecuador S.A.	107	Wireless Facilities International, Ltd.
96	Leadcom Panama S.A.	108	LCC Acquisition Holdings B.V.
97	Leadcom Telecomunicacoes Costa-Rica S.A.	109	Lightbridge Communications Corporations LLC
98	Leadcom de Colombia S.A.	110	LCC do Brasil Ltda.

2. **Entities Ceased during the Financial Year 2014 -15:**

Sl. No.	Name of Company
1	Satyam Computer Services Belgium BVBA
2	vCustomer Services LLC,
3	Mahindra Satyam Servicios DE Informatica S.R.L.
4	Mahindra Satyam Servicios DE Informatica Sociedad Anonima Cerrada
5	Opticore Holdings, Inc
6	Opticore Networks, Inc.
7	Opticore Networks EMA, LLC
8	Opticore EMA, LLC

3. **Joint Ventures/Associate companies formed or ceased during the Financial Year 2014-15:**

Sl. No.	Name of Company
A.	**Formed / Acquired:**
1	Avion Networks, Inc.
2	SARL Djazatech
3	EURL LCC UK Algerie
B.	**Ceased:**
1	Global ICT Investment Holdings Pte Limited

For and on behalf of the Board

Place: Mumbai
Date: May 26, 2015

Anand G. Mahindra
Chairman

ANNEXURE II

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTORS, KMPs AND SENIOR MANAGEMENT

Directors

The NRC determines the criteria for appointment to the Board and is vested with the authority to identify candidates for appointment to the Board of Directors. In evaluating the suitability of individual Board member, the NRC will take into account multiple factors, including general understanding of the business, education, professional background, personal achievements, professional ethics and integrity.

Based on recommendation of the NRC, the Board will evaluate the candidate(s) and decide on the selection of the appropriate member. The Board through the Chairman / EVC / MD & CEO will interact with the new member to obtain his/her consent for joining the Board. Upon receipt of the consent, the new Director will be co-opted by the Board in accordance with the applicable provisions of the Companies Act, 2013 and Rules made there under.

KMPs

The authority to identify right candidates for the appointment of CFO and CS is vested with the EVC / MD & CEO. The HR will facilitate in identifying the candidates internally or externally. NRC will consider the candidates proposed by the EVC / MD & CEO and recommend to the Board for its consideration and appointment in accordance with the applicable provisions of the Act and Rules.

In case of EVC / MD / CEO's appointment, NRC will initiate the process of identifying the new candidate, which can be an internal or external candidate, for the respective position. After identification and screening of the candidate, NRC will propose the candidature to the Board for its consideration and for appointment subject to the approval of the Shareholders and Regulatory Authority, if any.

Senior Management Personnel

The Senior Management personnel are appointed and removed/relieved with the authority of EVC / MD & CEO based on the business need and the suitability of the candidate. The details of the appointment made and the personnel removed/relieved during a quarter shall be presented to the Board as part of update on Corporate Governance.

Removal of Board of Directors and KMPs

If a Director or a KMP is attracted with any disqualification as mentioned in any of the applicable Act, rules and regulations thereunder or due to non adherence to the applicable policies of the company, the NRC may recommend to the Board with reasons recorded in writing, removal of a Director or a KMP subject to the compliance of the applicable statutory provisions.

REMUNERATION TO DIRECTORS, KMPs, SENIOR MANAGEMENT PERSONNEL & OTHER EMPLOYEES

Non Executive Directors:

The NRC shall decide the basis for determining the compensation, both Fixed and Variable, to the Non Executive Directors, including Independent Directors, whether as commission or otherwise. The NRC shall take into consideration various factors such as director's participation in Board and Committee meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees, time spent in carrying out their duties, role and functions as envisaged in Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement with Stock Exchanges and such other factors as the NRC may consider deem fit for determining the compensation. The Board shall determine the compensation to Non Executive Directors within the overall limits specified in the Shareholders resolution.

Executive Directors:

The remuneration to EVC and MD & CEO shall be recommended by NRC to the Board. The remuneration consists of both fixed compensation and variable compensation and shall be paid as salary, commission, performance bonus, perquisites and fringe benefits as approved by the Board and within the overall limits specified in the Shareholders resolution. While the fixed compensation is determined at the time of their appointment, the variable compensation will be determined annually by the NRC based on their performance.

The Company may also grant Stock Options to the Directors subject to the compliance of the applicable statutes and regulations.

Remuneration to Senior Management personnel and Other Employees

The Company follows an extensive performance management system to review the performance of the Employees / Senior Management and provide rewards on the basis of meritocracy.

The overall remuneration to the employees includes a fixed component (Guaranteed Pay) and a variable component (Performance pay). The percentage of the variable component increases with increasing hierarchy levels, as the Company believes employees at higher positions have a far greater impact and influence on the overall business result. The CTC is reviewed once every year and the compensation strategy for positioning of individuals takes into consideration the following elements :

- Performance
- Potential
- Criticality
- Longevity in grade

The remuneration for KMPs - CFO and CS will be proposed by the EVC / MD & CEO to the NRC consistent with the strategy of the Company and their Qualifications, Experience, Roles and Responsibilities. Pursuant to the provisions of Section 203 of the Companies Act, 2013 the Board shall approve the remuneration at the time of their appointment.

The initial remuneration for the Senior Management personnel shall be proposed by CPO and approved by EVC / MD & CEO,

Remuneration for the new employees other than KMPs and Senior Management Personnel will be decided by the HR, in consultation with the concerned business unit head at the time of hiring, depending upon the relevant job experience, last compensation and the skill-set of the selected candidate.

The CPO shall make a presentation to the NRC on the proposed annual increments based on the performance of the company, general trends in the Industry etc. the annual performance appraisal process of the employees conducted by the Human Resources department, during the financial year. Eligible employees will be rewarded with the annual increment. Before taking the proposal to the NRC, the CPO shall obtain the approval of Executive Vice Chairman/MD and CEO.

The Stock Option grants to the employees are approved by the NRC based on the recommendation of the Advisory Council.

For and on behalf of the Board

Place: Mumbai
Date: May 26, 2015

Anand G. Mahindra
Chairman

ANNEXURE III

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To :
The Members
Tech Mahindra Limited,
Gateway Building, Apollo Bunder
Mumbai – 400 001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tech Mahindra Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2015 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period);**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period);**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period);** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period).**

(vi) **I further report that,** having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

1. The Information Technology Act, 2000; and
2. The Special Economic Zone Act, 2005.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not applicable to the Company during the Audit Period)**.

(ii) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the Audit Period-

(a) the Company has approved -

- the Employee Stock Option Plan 2014 ('ESOP 2014'), for issue of a maximum of 4,000,000 equity shares of ₹ 10/- each to all of the eligible permanent employees and directors of the Company;
- issue of such number of equity shares, as may be earmarked under ESOP 2014, to all of the eligible permanent employees and directors of subsidiary companies;
- alteration in the Memorandum of Association and Articles of Association of the Company;
- sub-division of equity shares of the Company from face value of ₹ 10/- to ₹ 5/- [Record Date: 20th March, 2015]; and
- issue of bonus shares in the ratio of 1:1 - [Record Date: 20th March, 2015].

(b) Mahindra Engineering Services Limited was amalgamated with the Company on 8th December, 2014, the appointed date for the said amalgamation being 1st April, 2013.

Place: Pune | Dr. K. R. Chandratre
Date: May 26, 2015 | FCS No. 1370, C P No: 5144

ANNEXURE IV

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	L64200MH1986PLC041370
ii)	Registration Date:	24/10/1986
iii)	Name of the Company:	Tech Mahindra Limited
iv)	Category / Sub-Category of the Company:	Public Limited Company/Limited by Shares
v)	Address of the Registered office and contact details:	Gateway Building, Apollo Bunder, Mumbai – 400 001. Tel: +91 22-2289-5500 Email: investor.relations@techmahindra.com Website: www.techmahindra.com
vi)	Whether listed company:	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any:	Link Intime India Pvt Ltd Block no. 202, 2nd Floor, Akshay Complex Off: Dhole Patil Road, Pune-411001 Phone: 020-26160084/1629

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Computer Programming, Consultancy and Related services	62020	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name of Subsidiary Company	Address	CIN/GLN	Holding/ Subsidiary/ Associate	(%) shares held	Applicable Section
1	Tech Mahindra (Americas) Inc,	36, Pittenger Road, Freehold, New Jersey, 07728, USA	-	Subsidiary	100	2(87)
2	Tech Talenta Inc.,	211 E. 7th Street, Suite 620, Austin, TX 78701 USA	-	Subsidiary	100	2(87)
3	Avion Networks, Inc	C/o. Incorporating Services, Ltd., 3500 South DuPont Highway, Dover, County of Kent, Delaware, 19901	-	Associate	30	2(6)
4	Tech Mahindra IPR Inc	2711 Centerville Road, Suite 400, in the City of Wilmington, County of New Castle, 19808, State of Delaware	-	Subsidiary	100	2(87)

Sl. No.	Name of Subsidiary Company	Address	CIN/GLN	Holding/ Subsidiary/ Associate	(%) shares held	Applicable Section
5	TechM Canada Inc.	7575, Trans – Canada Highway Suite 500-C, Saint – Laurent,QC H4T 1V6	-	Subsidiary	100	2(87)
6	FixStream Networks Inc	1209, Orange Street, Wilmington, County of New Castle, 19801, State of Delaware, USA	-	Subsidiary	75	2(87)
7	Quexa Systems Private Limited	Flat No. 1, Runwal Maestro, Sr. No. 96/97,Plot No. 175/176, Bhusari Colony, Kothrud, Pune, Maharashtra	U72200PN2013PTC145988	Subsidiary	75	2(87)
8	Tech Mahindra GmbH	Grafenberger Allee 277-287, Entrance 'C', 4th Floor, 40237 Duesseldorf, Germany	-	Subsidiary	100	2(87)
9	Tech Mahindra Business Services GmbH	Geschäftsanschrift: Christoph-Probst-Weg 3, 20251 Hamburg	-	Subsidiary	100	2(87)
10	TechM IT - Services GmbH	C/o. Oberhammer Rechtsanwalt GmbH Karlsplatz 3/1 1010 Vienna	-	Subsidiary	100	2(87)
11	Tech Mahindra (Singapore) Pte Limited	No. 17, Changi Business Park, Central 1 #06-01, Honeywell Building,Singapore 486073	-	Subsidiary	100	2(87)
12	Tech Mahindra (Thailand) Limited	BB Building, 13th Floor, Unit No. 1304, Sukhumvit 21 Road (Asok), North Klongteoy Sub-district, Wattana District, Bangkok	-	Subsidiary	100	2(87)
13	PT Tech Mahindra Indonesia	Ariobimo Sentral 4th Flr. Suite#403, Jl. H.R. Rasuna Said Kav X-2, No.5, Jakarta 12950, Indonesia	-	Subsidiary	100	2(87)
14	Tech Mahindra (Malaysia) SDN. BHD	35-3, Jalan SS 15/8A, 47500 Subang Jaya, Selangor Darul Ehsan.Malaysia	-	Subsidiary	100	2(87)
15	Tech Mahindra ICT Services (Malaysia) SDN. BHD	35-3, Jalan SS 15/8A, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia	-	Subsidiary	100	2(87)
16	Tech Mahindra (Beijing) IT Services Limited	Room 2925 of 29F Block C, Central International Trade Center, 6A Jian Guo Men Wai Avenue, Chao Yang District, Beijing.	-	Subsidiary	100	2(87)
17	Tech Mahindra (Nigeria) Limited	Coscharis Plaza, 3rd Floor, 68A, Adeola Odeku Street,Victoria Island, Lagos	-	Subsidiary	100	2(87)
18	Tech Mahindra (Bahrain) Limited. S.P.C.	Flat/shop 1126, Building 722, Road 1708, Block 317, Diplomatic Area. Bahrain.	-	Subsidiary	100	2(87)
19	Tech Mahindra Business Services Limited	Spectrum Towers, Mindspace Complex, Off Link Road, Malad (West), Mumbai, Maharashtra-400064	U72900MH2006PLC159149	Subsidiary	100	2(87)
20	Comviva Technologies Ltd	A-26, Info City, Sector - 34, Gurgaon, Haryana – 122001	U72200HR1999PLC041214	Subsidiary	67.12	2(87)

Sl. No.	Name of Subsidiary Company	Address	CIN/GLN	Holding/ Subsidiary/ Associate	(%) shares held	Applicable Section
21	Comviva Technologies Inc.	1411, Sawgrass Corporate Parkway, Ste B, Sunrise, FL33323-2888, USA	-	Subsidiary	67.12	2(87)
22	Comviva Technologies Nigeria Limited	376, Ikorodu Road, (Kresta Laurel Complex), 4th Floor, Maryland, Lagos, Nigeria	-	Subsidiary	67.12	2(87)
23	Hedonmark (Management Services) Limited	6 Broad Street, NCR Building, LAGOS, Nigeria	-	Subsidiary	50.34	2(87)
24	Comviva Technologies Singapore Pte. Ltd.	180B, Bencoolen Street, #12-05, The Bencoolen, Singapore 189648	-	Subsidiary	67.12	2(87)
25	Comviva Technologies FZ-LLC	Office # 240, Building #16, 2nd Floor, Dubai Internet City, Dubai, UAE	-	Subsidiary	67.12	2(87)
26	Satyam Computer Services Belgium BVBA*	Regus, Park Atrium, Koloniënstraat 11, 1000 Brussels	-	Subsidiary	100	2(87)
27	Tech Mahindra South Africa (Pty) Limited	56 Karee Drive, Walton Road, Carlswald, Gauteng 1685	-	Subsidiary	51	2(87)
28	Tech Mahindra BPO Limited	Plot No. 22,24,25,29 To 33, Hitech City layout, Survey No 64, Madhapur, Hyderabad – 81	U72900MH2002PLC254736	Subsidiary	100	2(87)
29	Tech Mahindra (Shanghai) Co. Ltd	Suite 23102, 23104, 23204, Pudong Software Park, No. 498 Guoshoujing Road, Zhangjiang Hi-tech, Park, Shanghai	-	Subsidiary	100	2(87)
30	Tech Mahindra (Nanjing) Co Ltd.	Suite 413-246, Business Building, Nanjing High-tech Industry Developing Zone, Nanjing	-	Subsidiary	100	2(87)
31	Tech Mahindra Technologies Inc.	1220 N., Market Street, # 806, Wilmington 19801,Delaware	-	Subsidiary	100	2(87)
32	Citisoft Plc.	1 Frederick's Place, Old Jewry, London EC2R 8AE	-	Subsidiary	100	2(87)
33	Citisoft Inc.	343 Congress Street, Boston, MA 02210	-	Subsidiary	100	2(87)
34	Satyam Computer Services (Egypt) S. A. E.	Smat Village, Abou Rawash, Cairo Alexandria Desert Road, Building 124, Tower 2, (West Tower) Second Floor, GIZA	-	Subsidiary	100	2(87)
35	Tech Mahindra Servicos De Informatica Ltda	Rua Quintana, 887,12th Floor,Brooklin Novo, Suite 121, Sao paulo,SP CEP 04569-011	-	Subsidiary	100	2(87)
36	Satyam Colombia Servicios DE Informatica SAS	K R 46 93 84 - Bogota – Colombia	-	Subsidiary	100	2(87)
37	Complex IT Solutions Consultoria EM Informatica S/A.	Av.Maria Coelho Aguiar, 215 - Bloco C- 5 Andar, Jardim Sao Luis: 05804 - 900, Sao Paulo - SP / BRASIL	-	Subsidiary	100	2(87)

Sl. No.	Name of Subsidiary Company	Address	CIN/GLN	Holding/ Subsidiary/ Associate	(%) shares held	Applicable Section
38	Satyam Computer Services De Mexico S.DE R.L.DE C.V	Av. Santa Fe # 495 Floor 4, Col. Cruz Manca, Mexico, D.F. CP 05349	-	Subsidiary	100	2(87)
39	Satyam Venture Engineering Services Pvt Ltd	1-8-301-306, 3rd Floor, Ashoka Myhome Chambers, S.P. Road, Secunderabad, Telangana, India – 500 003	U72200AP2000PTC033213	Subsidiary	50	2(87)
40	Satyam Venture Engineering Services (Shanghai) Co Ltd	Room 2202, building B. No. 2 Nong 1883, South Huicheng Rd, Industry zoom, Jiading, Shanghai	-	Subsidiary	50	2(87)
41	Satyam Venture Engineering Services GmbH	Leopoldstr. 244,80807 Munchen Germany	-	Subsidiary	50	2(87)
42	vCustomer Services LLC**	5400, Carillon Point, Kirkland, WA 98033, USA	-	Subsidiary	100	2(87)
43	New vC Services Private Limited	A-20, Basement Floor, Sector - 60, Noida – 201 301, U.P. India	U74140MH2003PTC254737	Subsidiary	100	2(87)
44	vCustomer Philippines Inc.	3/F eCommerce Plaza, Eastwood Cyberpark, Bagumbayan, Quezon City, Philippines	-	Subsidiary	100	2(87)
45	vCustomer Philippines(Cebu), Inc.	4th Floor, JESA Building, 90 General Maxllom Ave., Cebu City, Philippines	-	Subsidiary	100	2(87)
46	Mahindra Engineering GmbH***	Leonardo-da-Vinci-Allee 3, 60486 Frankfurt am Main Germany	-	Subsidiary	100	2(87)
47	Mahindra Engineering Services (Europe) Limited ***	Attrium Court,The Ring Bracknell Berkshire RG 12 1BW	-	Subsidiary	100	2(87)
48	Mahindra Technologies Services Inc ***	101 W Big Beaver, 14 th Floor, Troy, Michigan 48084	-	Subsidiary	100	2(87)
49	Mahindra Educational Institutions (Section 8 Company)	Survey No: 62/1A, Bahadurpally, Jeedimetla, Hyderabad - 500 043, Telangana, India	U80300TG2013NPL086878	Subsidiary	100	2(87)
50	Global ICT Investment Holdings Pte. Ltd.*	9 Battery Road, #15-01, Straits Trading Building, Singapore (049910)	-	Joint venture	50	2(6)
51	Tech Mahindra DRC SARLU	Immeuble Le Prestige, 1er Étage, 4239 Avenue Tombalbaye Commune de la Gombe, Kinshasa, Rép. Dém. du Congo	-	Subsidiary	100	2(87)
52	Tech Mahindra Foundation (Section 8 Company)	Oberoi Gardens Estate, Chandivali, Off Saki Vihar Road, Andheri (E), Mumbai – 400 072	U85310MH2006NPL160651	Subsidiary	100	2(87)
53	Lightbridge Communications Corporation	1209 Orange St, Wilmington, New Castle County, DE 19801	-	Subsidiary	100	2(87)
54	Lightbridge North America Holdings, Inc.	1209 Orange St, Wilmington, New Castle County, DE 19801	-	Subsidiary	100	2(87)

Sl. No.	Name of Subsidiary Company	Address	CIN/GLN	Holding/ Subsidiary/ Associate	(%) shares held	Applicable Section
55	LCC Wireless Services Canada, Inc.	160 Elgin Street, Suite 2600, Ottawa Ontario Canada K1P 1C3	-	Subsidiary	100	2(87)
56	Burgundy Holding Corporation	1209 Orange St, Wilmington, New Castle County, DE 19801	-	Subsidiary	100	2(87)
57	LCC Deployment Services Inc.	7900 Westpark Dr, Suite T-700 McLean VA 22102 - USA	-	Subsidiary	100	2(87)
58	LCC International, Inc.	1209 Orange St, Wilmington, New Castle County, DE 19801	-	Subsidiary	100	2(87)
59	LCC Wireless Services, Inc.	1209 Orange St, Wilmington, New Castle County, DE 19801	-	Subsidiary	100	2(87)
60	LCC Design Services, Inc.	1209 Orange St, Wilmington, New Castle County, DE 19801	-	Subsidiary	100	2(87)
61	LCC Wireless Design Services, Inc.	1209 Orange St, Wilmington, New Castle County, DE 19801	-	Subsidiary	100	2(87)
62	LCC Diseno y Servicios Argentina, SRL	Avenida Del Libertador 498 Piso 3(0) de la Ciudad Autonoma de Buenos Aires	-	Subsidiary	100	2(87)
63	LCC Diseno y Servicios Chile	Oficina 1007 Calle del Inca 4446 Las Condes, CP 7580206 Santiago, Chile	-	Subsidiary	100	2(87)
64	LCC Colombia SAS	Carrera 19a #90 - 13 of 304 Bogota DC, Colombia	-	Subsidiary	100	2(87)
65	LCC Central America de Mexico, SA de CV	Av. Vasco de Quiroga 3900, Piso 10, Torre A, Lomas de Santa Fe, Deleg. Cuajimalpa de Morelos, Mexico DF 05300	-	Subsidiary	100	2(87)
66	LCC Peru S.R.L.	Avenida Victor Andres Belaunde, Espalda del CC Caminos del Inca, Lima, Peru	-	Subsidiary	100	2(87)
67	LCC Service Belgium NV	Leuvensesteenweg 555 1930 Zaventem. Belgium	-	Subsidiary	100	2(87)
68	LCC France SARL	410 Clos de la Courtine 93160 Noisy-Le-Grand France	-	Subsidiary	100	2(87)
69	LCC Telecom GMBH	Neumannstrasse 2 40235 Dusseldorf	-	Subsidiary	95	2(87)
70	LCC Design and Deployment Services Ltd	1 Danais & Perikleous St 15344 Gerakas	-	Subsidiary	100	2(87)
71	LCC Italia s.r.l.	Via Bernardino Alimena, 111 00173 Roma, Italy	-	Subsidiary	100	2(87)
72	LCC Network Services, B.V.	Amerikastraat 7, 5232 BE's-Hertogenbosch, Postbus 2206	-	Subsidiary	95	2(87)
73	LCC Projects BV	Amerikastraat 7, 5232 BE's-Hertogenbosch, Postbus 2206	-	Subsidiary	95	2(87)
74	LCC North Central Europe ,B.V.	Amerikastraat 7, 5232 BE's-Hertogenbosch, Postbus 2206	-	Subsidiary	100	2(87)
75	LCC do Brasil Ltda.	Veirano Advogados, Av. Brigardeiro Faria Lima, 377-160andar, CEP: 04538-133-São Paulo-Brasil		Subsidiary	100	2(87)

Sl. No.	Name of Subsidiary Company	Address	CIN/GLN	Holding/ Subsidiary/ Associate	(%) shares held	Applicable Section
76	SARL Djazatech	Bab Ezzouar Business District, Lot Nr. 94, Algiers, 16311, Algeria	-	Associate	49	2(6)
77	EURL LCC UK Algerie	Bab Ezzouar Business District, Lot Nr. 94, Algiers, 16311, Algeria	-	Associate	49	2(6)
78	Lightbridge Communications Corporations LLC	Shatha Tower, 12^{th} floor, Suite 1206, Dubai, UAE	-	Subsidiary	95	2(87)
79	LCC Europe Cooperatief U.A.	Amerikastraat 7, 5232 BE's-Hertogenbosch, Postbus 2206	-	Subsidiary	100	2(87)
80	LCC Europe Holdings, BV	Amerikastraat 7, 5232 BE's-Hertogenbosch, Postbus 2206	-	Subsidiary	100	2(87)
81	LCC Wireless Communications Espana, SA	Juan de Mariana, 17B - 4 Planta 28045 - Madrid	-	Subsidiary	100	2(87)
82	LCC Telekomunikasyon Servis Limited	Ergenekon Cad. Şetat İş Merkezi K:5 D:501 Feriköy-Şişli/İstanbul	-	Subsidiary	100	2(87)
83	LCC United Kingdom, Ltd.	Capital Park Fulbourn, Cambridge, CBI 5XE, United Kingdom	-	Subsidiary	100	2(87)
84	LCC Wireless Engineering Services, Ltd.	Capital Park Fulbourn, Cambridge, CBI 5XE, United Kingdom	-	Subsidiary	100	2(87)
85	LCC Deployment Services, UK, Ltd.	Capital Park Fulbourn, Cambridge, CBI 5XE, United Kingdom	-	Subsidiary	100	2(87)
86	LCC Networks Poland Sp.z.o.o	ul. WYRZYSKA, nr 9A, lok. ---, miejsc. WARSZAWA, kod 02-455, poczta WARSZAWA, kraj POLSKA	-	Subsidiary	100	2(87)
87	LCC Wireless Communications Services Maroc, SARLAU	186 Av Mehdi Ben Barka Appt N 22, Bourgogne 20053, Casablanca, Morrocco	-	Subsidiary	100	2(87)
88	LCC Telecom Infra Projects BV	Amerikastraat 7, 5232 BE's-Hertogenbosch, Postbus 2206	-	Subsidiary	95	2(87)
89	LCC Telecom Infra Professionals BV	Amerikastraat 7, 5232 BE's-Hertogenbosch, Postbus 2206	-	Subsidiary	95	2(87)
90	LCC Installation & Services Projects BV	Amerikastraat 7, 5232 BE's-Hertogenbosch, Postbus 2206	-	Subsidiary	95	2(87)
91	LCC Installation & Services Professionals BV	Amerikastraat 7, 5232 BE's-Hertogenbosch, Postbus 2206	-	Subsidiary	95	2(87)
92	Lightbridge Middle East Holdings, Inc.	1209 Orange St, Wilmington, New Castle County, DE 19801	-	Subsidiary	100	2(87)
93	LCC Middle East FZ-LLC	LCC MIDDLE EAST& AFRICA Dubai Internet City Shatha Tower, office#1206 P.O.BOX 500639, Dubai	-	Subsidiary	100	2(87)
94	LCC Engineering & Deployment Services Misr, LTD	Office 4 Al Maqdes Al Qabari, Nasr City, Cairo, Egypt	-	Subsidiary	100	2(87)

Sl. No.	Name of Subsidiary Company	Address	CIN/GLN	Holding/ Subsidiary/ Associate	(%) shares held	Applicable Section
95	LCC India Private Limited	2nd Floor, Sucheta Bhawan, Gate No 2, 11-A Vishnu Digambar Marg, New Delhi - 110 002	U64202DL2004PTC126500	Subsidiary	100	2(87)
96	LCC Pakistan Private Ltd.	House # 180, Street # 68, F - 10/3, Islamabad	-	Subsidiary	100	2(87)
97	LCC Saudi Telecom Services, Ltd	Offices 4&5; 2nd Floor Al-Mizan Tower PO Box 2432 Riyadh Saudi Arabia	-	Subsidiary	100	2(87)
98	LCC Muscat LLC	Muscat Governorate/ As Seeb/ Wahat Al Marafa/ PO Box 3360/ Postal Code 111	-	Subsidiary	100	2(87)
99	Leadcom Integrated Solutions (LIS) Ltd.	10 Hahagana Street, Or Yehuda Israel	-	Subsidiary	100	2(87)
100	Leadcom EMEA B.V.	Amerikastraat 7, 5232 BE's-Hertogenbosch, Postbus 2206	-	Subsidiary	100	2(87)
101	Leadcom Integrated Solutions International B.V.	Amerikastraat 7, 5232 BE's-Hertogenbosch, Postbus 2206	-	Subsidiary	100	2(87)
102	Leadcom Ghana Limited	House No. RR147A Olusegun Obasanjo Road PMB KA 34 Roman Ridge Accra, Ghana	-	Subsidiary	100	2(87)
103	Leadcom Gabon S.A.	Quartier Louis Deriere le Cotton Club B.P. 4638 Libreville, Gabon	-	Subsidiary	100	2(87)
104	Leadcom DRC SARL	Leadcom Avenue Basoko, No. 521, Commune de la Gombe Kinshasa, DRC	-	Subsidiary	100	2(87)
105	Leadcom Integrated Solutions USA Inc.	2645 Executive Park Drive, Weston, FL 33331 - USA	-	Subsidiary	100	2(87)
106	Leadcom Integrated Solutions Tanzania Ltd.	2379/34 Winding Avenue Oyster Bay Dar Es Salaam, Tanzania	-	Subsidiary	100	2(87)
107	Leadcom Integrated Solutions Rwanda Ltd.	Sulfo House Door 6B Gikondo Kigali, Rwanda	-	Subsidiary	100	2(87)
108	Leadcom Integrated Solutions Tchad SARL	Zone Industrielle - Farcha BP 6718 N'Djamena Chad	-	Subsidiary	100	2(87)
109	Leadcom Integrated Solutions (SPV) SAS	4 Cité Joly 75011 Paris	-	Subsidiary	100	2(87)
110	STA Gabon	Quartier Louis Deriere le Cotton Club B.P. 4638 Libreville, Gabon	-	Subsidiary	100	2(87)
111	STA Dakar	22, avenue Albert Sarrault BP 6147 Etoile Dakar	-	Subsidiary	100	2(87)
112	Societe deTelecommunications Africaine (STA) Abidjan	Rue Chevalier DE CLIEU, Marcory, Abidjan, Cote d'Ivoire 01 BP 3910 Abidjan 01 Cote d'Ivoire	-	Subsidiary	100	2(87)
113	Leadcom Peru S.A.C.	Canaval y Moreyra # 340, San Isidro, Lima Codigo Postal Lima 27	-	Subsidiary	100	2(87)

Sl. No.	Name of Subsidiary Company	Address	CIN/GLN	Holding/ Subsidiary/ Associate	(%) shares held	Applicable Section
114	Servicios Integrales de Telecomunicaciones Y Obras Civiles, Sociedad Anonima	12 calle 1-25 zona 10 edificio GEMINIS 10 TORRE SUR NIVEL 16 OFICINA 1607 “A” Guatemala	-	Subsidiary	100	2(87)
115	Leadcom Bolivia S.R.L.	3 ere. Anillo Interno - Zona San Martin Calle 9 B - Este N33 Santa Cruz – Bolivia	-	Subsidiary	100	2(87)
116	Leadcom del Ecuador S.A.	Kenedy Norte Manzana 1010 Solares 7, 8 y 9 Guayaquil, Ecuador	-	Subsidiary	100	2(87)
117	Leadcom Panama S.A.	Via Simon Bolivar, (Transistmica) Edif H. Herburger oficina 5 y 10 Panama	-	Subsidiary	100	2(87)
118	Leadcom Telecomunicacoes Costa-Rica S.A.	Sabana Sur, Calle Morenos 150 mt Sur del Supermecado AMPM Edificio color papaya, San Jose Costa Rica	-	Subsidiary	100	2(87)
119	Leadcom de Colombia S.A.	Cr. 48, 93-5 Bogota, Colombia	-	Subsidiary	100	2(87)
120	Leadcom S.A.	Cabello 3181, 7th Floor Suite “D” Capital Federal - C1425APC Argentina	-	Subsidiary	100	2(87)
121	Leadcom Telecommunicaciones de Chile S.A.	San Antonio 378. Oficina 808 Santiago Centro RM-Chile	-	Subsidiary	100	2(87)
122	Leadcom Mexico S.A. de C.V.	Montes Urales 785, Lomas de Chapultepec, Colonia Miguel Hidalgo, Mexico DF, Mexico	-	Subsidiary	100	2(87)
123	Leadcom Integrated Solutions Kenya Limited	Mayfair Business Center 2nd floor Masapo Close, Westland’s Nairobi, Kenya	-	Subsidiary	100	2(87)
124	Leadcom Integrated Solutions Myanmar Co., Ltd	14/E University Avenue Compound New University Road, Bahan Township Yangon, Myanmar	-	Subsidiary	100	2(87)
125	LCC Middle East Holdings, B.V.	Amerikastraat 7-11, S'Hertogenbosch, 5232, Netherlands	-	Subsidiary	100	2(87)
126	LCC Professionals, B.V.	Amerikastraat 7-11, S'Hertogenbosch, 5232, Netherlands	-	Subsidiary	95	2(87)
127	Merlin Projects, Ltd.	Knyvett House, Watermans Business Park, The Causeway, Staines, United Kingdom	-	Subsidiary	100	2(87)
128	Wireless Facilities International, Ltd.	Capital Park Fulbourn, Cambridge, CBI 5XE, United Kingdom	-	Subsidiary	100	2(87)
129	LCC Acquisition Holdings B.V.	Amerikastraat 7-11, S'Hertogenbosch, 5232, Netherlands	-	Subsidiary	100	2(87)
130	Leadcom Uganda Limited	Mobile 256-71-142630 Plot 2 Neptune Avenue Mbuya, Kampala PO Box 50029 Uganda	-	Subsidiary	100	2(87)

Sl. No.	Name of Subsidiary Company	Address	CIN/GLN	Holding/ Subsidiary/ Associate	(%) shares held	Applicable Section
131	Coniber S.A.	Plaza Independencia 822, apartamento 801, Montevideo, Uruguay	-	Subsidiary	100	2(87)
132	SOFGEN Holdings Limited	Arch. Makariou III, 229 Meliza Court, 4th floor P.C. 3105 Limassol (Cyprus)	-	Subsidiary	100	2(87)
133	Sofgen Americas Inc	99, Washington Avenue Suite 1008 Albany, NY 12260 – USA	-	Subsidiary	100	2(87)
134	Sofgen Services Limited	Arch. Makariou III, 229 Meliza Court, 4th floor P.C. 3105 Limassol – Cyprus	-	Subsidiary	100	2(87)
135	Sofgen Limited	Arch. Makariou III, 229 Meliza Court, 4th floor P.C. 3105 Limassol – Cyprus	-	Subsidiary	100	2(87)
136	Sofgen (UK) Limited	Cheyne House 2, Crown Court 62-63 London EC2V 6JP UK	-	Subsidiary	100	2(87)
137	SC Compania Sofgen SRL	Union International Center Street Ion Campineanu n° 11,etaj 4 Camera 413, Modu IT Bucuresti sector 1 Romania	-	Subsidiary	100	2(87)
138	Sofgen Luxembourg SARL	6, Place de Nancy L-2212 Luxembourg	-	Subsidiary	100	2(87)
139	Sofgen Ireland Limited	Century House Harold's Cross Road Dublin 6W - Ireland	-	Subsidiary	100	2(87)
140	Sofgen SA	50 Shirley Street Shirley House PO Box N-624 Nassau – Bahamas	-	Subsidiary	100	2(87)
141	Sofgen Consulting AG	Lövenstrasse 20 8001 Zürich - Switzerland	-	Subsidiary	100	2(87)
142	Sofgen SaveTax S.A	Rue de Lyon, 105 1203 Geneve - Switzerland	-	Subsidiary	100	2(87)
143	Sofgen SA	Rue de Lyon, 105 c/o SOFGEN Savetax SA 1203 Geneve - Switzerland	-	Subsidiary	100	2(87)
144	Sofgen Africa Limited	Kalamu House, Waiyaki Way Westlands, PO Box 47323-00100 Nairobi, Kenya – Africa	-	Subsidiary	99	2(87)
145	Sofgen West Africa Limited	10 Notei Abadio Street Airport Residential Area DTD 78 Cantonments Accra, Ghana – Africa	-	Subsidiary	100	2(87)
146	Sofgen India Private Limited	KG 360 Degrees IT Business Park 232/1, Dr. M. G. R. Salai (OMR By-pass Road) Perungudi, Chennai 600 096	U72900TN2001PTC047964	Subsidiary	100	2(87)
147	Sofgen Sdn Bhd	39-8, The Boulevard Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur - Malaysia	-	Subsidiary	100	2(87)
148	Sofgen Services Pte. Ltd.	80 Raffles Place Level 35 UOB Plaza 1 Singapore 048624	-	Subsidiary	100	2(87)
149	Sofgen Australia Pty Limited	39 the Mall South Hurstville NSW 2221 Australia	-	Subsidiary	100	2(87)

* Stands liquidated as of March 31, 2015.

** Amalgamated with Tech Mahindra (Americas) Inc effective February 2, 2015.

*** Have become subsidiaries pursuant to the scheme of amalgamation and arrangement between Mahindra Engineering Services Limited and Tech Mahindra Limited approved by Hon'ble Bombay High Court.

Notes:

1. Entities listed at S. No. 53 to 131 have become subsidiaries / Associate effective January 2, 2015.
2. The entities listed at S. No. 132 to 149 have become subsidiaries effective March 13, 2015.

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Share Holding:

Category of shareholder		No.of Shares held at the beginning of the year				No.of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**Promoter and Promoter Group**									
1	**Indian**									
(a)	Individuals / Hindu Undivided Family	-	-	-	0.00	-	-	-	-	0.00
(b)	Central Government / State Government(s)	-	-	-	0.00	-	-	-	-	0.00
(c)	Bodies Corporate	6,06,76,252	-	6,06,76,252	25.99	25,64,50,608	-	25,64,50,608	26.69	0.70
(d)	Financial Institutions / Banks	-	-	-	0.00	-	-	-	-	0.00
(e)	Any Other (specify)	-	-	-	0.00	-	-	-	-	0.00
	TML Benefit Trust (Through Mr. Ulhas N. Yargop, Trustee)	2,40,00,000	-	2,40,00,000	10.28	9,60,00,000	-	9,60,00,000	9.99	(0.29)
	Sub-Total (A)(1)	**8,46,76,252**	**-**	**8,46,76,252**	**36.27**	**35,24,50,608**	**-**	**35,24,50,608**	**36.68**	**0.41**
2	**Foreign**						-			
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	0.00	-	-	-	-	0.00
(b)	Bodies Corporate	60,726	-	60,726	0.03	2,42,904	-	2,42,904	0.03	0.00
(c)	Institutions	-	-	-	0.00	-	-	-	-	0.00
(d)	Qualified Foreign Investor	-	-	-	0.00	-	-	-	-	0.00
(e)	Any Other (specify)	-	-	-	0.00	-	-	-	-	0.00
	Sub-Total (A)(2)	**60,726**	**-**	**60,726**	**0.03**	**2,42,904**	**-**	**2,42,904**	**0.03**	**0.00**
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**8,47,36,978**	**-**	**8,47,36,978**	**36.29**	**35,26,93,512**	**-**	**35,26,93,512**	**36.71**	**0.42**
(B)	**Public shareholding**									
1	**Institutions**									
(a)	Mutual Funds/UTI	1,01,50,208	1,233	1,01,51,441	4.35	6,22,11,026	4,932	6,22,15,958	6.48	2.13
(b)	Financial Institutions/ Banks	6,83,912	-	6,83,912	0.29	22,23,083	-	22,23,083	0.23	(0.06)
(c)	Central Government/ State Government(s)	4,19,930	-	4,19,930	0.18	21,15,812	-	21,15,812	0.22	0.04
(d)	Venture Capital Funds	-	-	-	0.00	-	-	-	-	0.00
(e)	Insurance Companies	1,13,90,685		1,13,90,685	4.88	3,34,35,080	-	3,34,35,080	3.48	(1.40)
(f)	Foreign Institutional Investors	9,12,79,284	2,959	9,12,82,243	39.10	33,47,35,587	11,836	33,47,47,423	34.84	(4.26)
(g)	Foreign Venture Capital Investors	-	-	-	0.00	-	-	-	-	0.00

	Category of shareholder	No.of Shares held at the beginning of the year				No.of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(h)	Qualified Foreign Investor	-	-	-	0.00	-	-	-	-	0.00
(i)	Any Other (specify) Foreign Portfolio Investor (Corporate)	-	-	-	0.00	2,55,05,819	-	2,55,05,819	2.65	2.65
	Sub-Total (B)(1)	**11,39,24,019**	**4,192**	**11,39,28,211**	**48.80**	**46,02,26,407**	**16,768**	**46,02,43,175**	**47.90**	**(0.90)**
2	**Non-institutions**									
(a)	Bodies Corporate	32,15,686	11,060	32,26,746	1.38	2,22,57,359	42,832	2,23,00,191	2.32	0.94
(b)	Individuals -									
	i. Individual shareholders holding nominal share capital up to ₹ 1 lakh.	2,24,62,284	4,70,802	2,29,33,086	9.82	8,69,33,559	17,60,482	8,86,94,041	9.23	(0.59)
	ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	35,66,825	24,230	35,91,055	1.54	2,13,74,129	47,056	2,14,21,185	2.23	0.69
(c)	Qualified Foreign Investor	100	-	100	0.00	-		-	-	0.00
(d)	Any Other (specify)									
	i. Non Resident Indians	21,52,185	1,64,434	23,16,619	0.99	82,94,156	6,17,100	89,11,256	0.93	(0.06)
	ii. Foreign Nationals	2,70,057	20,225	2,90,282	0.12	1,57,280	80,900	2,38,180	0.03	(0.09)
	iii. Trusts	5,93,382	-	5,93,382	0.25	25,96,980	500	25,97,480	0.27	0.02
	iv. Clearing Members	18,55,840	-	18,55,840	0.80	36,87,544	-	36,87,544	0.38	(0.42)
	V. Overseas Bodies Corporates	587	-	587	0.00	2,348	-	2,348	0.00	0.00
	Sub-Total (B)(2)	**3,41,16,946**	**6,90,751**	**3,48,07,697**	**14.91**	**14,53,03,355**	**25,48,870**	**14,78,52,225**	**15.39**	**0.48**
	Total Public Shareholding (B)= (B)(1)+(B)(2)	**14,80,40,965**	**6,94,943**	**14,87,35,908**	**63.71**	**60,55,29,762**	**25,65,638**	**60,80,95,400**	**63.29**	**(0.42)**
	TOTAL (A)+(B)	**23,27,77,943**	**6,94,943**	**23,34,72,886**	**100.00**	**95,82,23,274**	**25,65,638**	**96,07,88,912**	**100.00**	**0.00**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**	Not Applicable								
	GRAND TOTAL (A)+(B)+(C)	**23,27,77,943**	**6,94,943**	**23,34,72,886**	**100.00**	**95,82,23,274**	**25,65,638**	**96,07,88,912**	**100.00**	**0.00**

(ii) **Shareholding of Promoters:**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Mahindra & Mahindra Limited	6,06,76,252	25.988	-	25,62,48,704	26.67	-	0.682
2	TML Benefit Trust (Through Mr. Ulhas N. Yargop Trustee)	2,40,00,000	10.280	-	9,60,00,000	9.99	-	(0.29)
3	Mahindra-BT Investment Company (Mauritius) Limited	60,726	0.026	-	2,42,904	0.03	-	0.004
4	Mahindra Holdings Limited	-	-	-	2,01,904	0.02	-	0.02
	Total	**8,47,36,978**	**36.294**	**-**	**35,26,93,512**	**36.71**	**-**	**0.416**

(iii) **Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Mahindra & Mahindra Limited**				
	Beginning of the Year	**6,06,76,252**	**25.99**		
	Allotted pursuant to Approved Scheme of Amalagamation of MESL, shares credited on 08.01.2015	33,85,924	1.41	6,40,62,176	26.67
	Corporate Action for Sub-Division of face value on 21st March, 2015	12,81,24,352	26.67		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	12,81,24,352	26.67	25,62,48,704	26.67
	At the end of the Year	**-**	**-**	**25,62,48,704**	**26.67**
2	**TML Benefit Trust (Through Mr. Ulhas N. Yargop Trustee)**				
	Beginning of the Year	**2,40,00,000**	**10.28**		
	Corporate Action for Sub-Division of face value on 21st March, 2015	4,80,00,000	9.99		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	4,80,00,000	9.99	9,60,00,000	9.99
	At the end of the Year	**-**	**-**	**9,60,00,000**	**9.99**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	**Mahindra-BT Investment Company (Mauritius) Limited**				
	Beginning of the Year	**60,726**	**0.03**		
	Corporate Action for Sub-Division of face value on 21st March, 2015	1,21,452	0.03		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	1,21,452	0.03	2,42,904	0.03
	At the end of the Year	**-**	**-**	**2,42,904**	**0.03**
4	**Mahindra Holdings Limited**				
	Beginning of the Year	**-**	**-**		
	Allotted pursuant to Approved Scheme of Amalgamation of MESL, shares credited on 08.01.2015	50,476	0.02		
	Corporate Action for Sub-Division of face value on 21st March, 2015	1,00,952	0.02		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	1,00,952	0.02	2,01,904	0.02
	At the end of the Year	**-**	**-**	**2,01,904**	**0.02**

(iv) Shareholding of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**EUROPACIFIC GROWTH FUND**				
	Beginning of the Year	**1919942**	**0.80**		
	As on Record date for Sub-Division of face value and Issue of Bonus shares (i.e. 20.03.2015)	97,43,142	4.06	97,43,142	4.06
	Corporate Action for Sub-Division of face value on 21st March, 2015	1,94,86,284	4.06		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	1,94,86,284	4.06	3,89,72,568	4.05
	At the end of the year	**-**	**-**	**3,89,72,568**	**4.05**
2	**NATIONAL WESTMINSTER BANK PLC AS DEPOSITARY OF FIRST STATE ASIA PACIFIC LEADERS FUND A SUB FUND OF FIRST STATE INVESTMENTS ICVC**				
	Beginning of the Year	**-**	**-**		
	As on Record date for Sub-Division of face value and Issue of Bonus shares (i.e. 20.03.2015)	34,85,697	1.45	34,85,697	1.45
	Corporate Action for Sub-Division of face value on 21st March, 2015	69,71,394	1.45		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	69,71,394	1.45	1,39,42,788	1.45
	At the end of the year	**-**	**-**	**1,39,42,788**	**1.45**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	**GOVERNMENT PENSION FUND GLOBAL**				
	Beginning of the Year	-	-		
	As on Record date for Sub-Division of face value and Issue of Bonus shares (i.e. 20.03.2015)	3292412	1.37	3292412	1.37
	Corporate Action for Sub-Division of face value on 21st March, 2015	6584824	1.37		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	6584824	1.37	13156581	1.37
	At the end of the year	**-**	**-**	**13156581**	**1.37**
4	**ICICI PRUDENTIAL FOCUSED BLUECHIP EQUITY FUND AND OTHER FUNDS**				
	Beginning of the Year	**17,28,374**	**0.72**		
	As on Record date for Sub-Division of face value and Issue of Bonus shares (i.e. 20.03.2015)	32,76,013	1.36	32,76,013	1.36
	Corporate Action for Sub-Division of face value on 21st March, 2015	65,52,026	1.36		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	65,52,026	1.36	1,49,60,160	1.56
	At the end of the year	**-**	**-**	**1,49,60,160**	**1.56**
5	**NATIONAL WESTMINSTER BANK PLC AS DEPOSITARY OF FIRST STATE GLOBAL EMERGING MARKETS LEADERS FUND A SUB FUND OF FIRST STATE INVESTMENTS ICVC**				
	Beginning of the Year	**26,77,163**	**1.11**		
	As on Record date for Sub-Division of face value and Issue of Bonus shares (i.e. 20.03.2015)	26,18,791	1.09	26,18,791	1.09
	Corporate Action for Sub-Division of face value on 21st March, 2015	52,37,582	1.09		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	52,37,582	1.09	1,04,75,164	1.09
	At the end of the year	**-**	**-**	**1,04,75,164**	**1.09**
6	**GOVERNMENT OF SINGAPORE**				
	Beginning of the Year	**25,33,628**	**1.05**		
	As on Record date for Sub-Division of face value and Issue of Bonus shares (i.e. 20.03.2015)	24,99,125	1.04	24,99,125	1.04
	Corporate Action for Sub-Division of face value on 21st March, 2015	49,98,250	1.04		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	49,98,250	1.04	1,01,10,018	1.05
	At the end of the year	**-**	**-**	**1,01,10,018**	**1.05**
7	**SKAGEN KON-TIKI VERDIPAPIRFOND**				
	Beginning of the Year	**25,29,440**	**1.05**		
	As on Record date for Sub-Division of face value and Issue of Bonus shares (i.e. 20.03.2015)	21,96,152	0.91	21,96,152	0.91
	Corporate Action for Sub-Division of face value on 21st March, 2015	43,92,304	0.91		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	43,92,304	0.91	87,84,608	0.91
	At the end of the year	**-**	**-**	**87,84,608**	**0.91**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	**STICHTING PENSIOENFONDS ABP**				
	Beginning of the Year	**16,26,821**	**0.68**		
	As on Record date for Sub-Division of face value and Issue of Bonus shares (i.e. 20.03.2015)	21,33,520	0.89	21,33,520	0.89
	Corporate Action for Sub-Division of face value on 21st March, 2015	42,67,040	0.89		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	42,67,040	0.89	85,34,080	0.89
	At the end of the year	**-**	**-**	**85,34,080**	**0.89**
9	**VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUND**				
	Beginning of the Year	**18,45,544**	**0.79**		
	As on Record date for Sub-Division of face value and Issue of Bonus shares (i.e. 20.03.2015)	20,63,638	0.86	20,63,638	0.86
	Corporate Action for Sub-Division of face value on 21st March, 2015	41,27,276	0.86		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	41,27,276	0.86	82,40,752	0.86
	At the end of the year	**-**	**-**	**82,40,752**	**0.86**
10	**ABU DHABI INVESTMENT AUTHORITY - GULAB**				
	Beginning of the Year	**21,97,963**	**0.92**		
	As on Record date for Sub-Division of face value and Issue of Bonus shares (i.e. 20.03.2015)	20,68,392	0.86	20,68,392	0.86
	Corporate Action for Sub-Division of face value on 21st March, 2015	41,36,784	0.86		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	41,36,784	0.86	79,47,568	0.83
	At the end of the year	**-**	**-**	**79,47,568**	**0.83**

Note: The above information is provided based on the Beneficiary Position received from Depositories and Physical share register. The Week wise change in the holding position of the above shareholders is provided on the company's website at www.techmahindra.com

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Mr. C. P. Gurnani**				
	Beginning of the year	**4,58,245**	**0.20**		
	Disposal on 11th and 12th of June, 2014	(1,97,604)	(0.08)	2,60,641	0.11
	Acquisition on 21st July, 2014	4,00,000	0.17	6,60,641	0.28
	Disposal on 20th and 21st August, 2014	(1,73,055)	(0.07)	4,87,586	0.21

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Disposal on 21st August, 2014	(26,945)	(0.01)	4,60,641	0.20
	Acquisition on 8th September, 2014	3,81,926	0.16	8,42,567	0.36
	Disposal on 2nd February, 2015	(52,825)	(0.02)	78,745	0.03
	Corporate Action for Sub-Division of face value on 21st March, 2015	15,79,484	0.33		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	15,79,484	0.33	31,58,968	0.33
	Disposal on 19th and 20th March, 2015	(9,75,000)	(0.41)	21,83,968	0.91
	Disposal on 23rd and 24th March, 2015	(1,25,000)	(0.05)	20,58,968	0.21
	At the end of the Year	**-**	**-**	**20,58,968**	**0.21**
2	**Mr. Vineet Nayyar**				
	Beginning of the year	**5,00,000**	**0.21**		
	Disposal on 4th June, 2014	(3,82,054)	(0.16)	1,17,946	0.05
	Disposal on 5th June, 2014	(1,17,946)	(0.05)	-	
	Acquisition on 11th June, 2014	6,92,567	0.30	6,92,567	0.30
	Disposal on 27th August, 2014	(1,50,000)	(0.06)	5,42,567	0.23
	Disposal on 28th August, 2014	(50,000)	(0.02)	4,92,567	0.21
	Corporate Action for Sub-Division of face value on 21st March, 2015	9,85,134	0.21		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	9,85,134	0.21	19,70,268	
	Disposal on 31st March, 2015	(1,50,000)	(0.02)	18,20,268	0.19
	At the end of the Year	**-**	**-**	**19,67,768**	**0.20**
3	**Mr. Anand G. Mahindra**				
	Beginning of the year	**47,138**	**0.02**		
	Corporate Action for Sub-Division of face value on 21st March, 2015	94,276	0.02		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	94,276	0.02	1,88,552	0.02
	At the end of the Year	**-**	**-**	**1,88,552**	**0.02**
4	**Mr. Ulhas N. Yargop**				
	Beginning of the year	**38,340**	**0.02**		
	Allotted pursuant to Approved Scheme of Amalgamation of MESL, shares credited on 08.01.2015	32,430	0.01	70,770	0.03
	Disposal on 5th and 11th February, 2015	(14,200)	(0.01)	56,570	0.02
	Disposal on 23rd February, 2015	(4,140)	(0.00)	52,430	0.02
	Disposal on 5th March, 2015	(6,670)	(0.00)	45,760	0.02
	Corporate Action for Sub-Division of face value on 21st March, 2015	91,520	0.02		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	91,520	0.02	1,83,040	0.02
	At the end of the Year	**-**	**-**	**1,83,040**	**0.02**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	**Mr. M. Damodaran**				
	Beginning of the year	**20,000**	**0.01**		
	Disposal on 15th September, 2014	(1,000)	(0.00)	19,000	0.01
	Acquisition on 25th February, 2015	5,000	0.00	24,000	0.01
	Corporate Action for Sub-Division of face value on 21st March, 2015	48,000	0.01		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	48,000	0.01	96,000	0.01
	At the end of the Year	**-**	**-**	**96,000**	**0.01**
6	**Mr. Bharat N. Doshi**				
	Beginning of the year	**17,831**	**0.01**		
	Acquisition on 07th February, 2015	5,000	0.00	22,831	0.01
	Corporate Action for Sub-Division of face value on 21st March, 2015	45,662	0.01		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	45,662	0.01	91,324	0.01
	At the end of the Year	**-**	**-**	**91,324**	**0.01**
7	**Mr. Ravindra Kulkarni**				
	Beginning of the year	**1,037**	**0.00**		
	Corporate Action for Sub-Division of face value on 21st March, 2015	2,074	0.00		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	2,074	0.00	4,148	0.00
	At the end of the Year	**-**	**-**	**4,148**	**0.00**
Key Managerial Personnel:					
1	**Mr. G. Jayaraman**				
	Beginning of the year	**8,500**	**0.00**		
	Disposal on 28th and 30th May, 2014	(3,250)	(0.00)	5,250	0.00
	Acquisition on 30th May, 2014	2,354	0.00	7,604	0.00
	Disposal on 10th and 11th June, 2014	(1,000)	(0.00)	6,604	0.00
	Disposal on 26th and 27th June, 2014	(1,036)	(0.00)	5,568	0.00
	Acquisition on 25th September, 2014	3,531	0.00	9,099	0.00
	Disposal on 23th, 25th and 26th September, 2014	(950)	(0.00)	8,149	0.00
	Disposal on 16th February, 2015	(800)	(0.00)	7,349	0.00
	Acquisition on 10th March, 2015	1,250	0.00	8,599	0.00
	Corporate Action for Sub-Division of face value on 21st March, 2015	17,198	0.00		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	17,198	0.00	34,396	0.00
	At the end of the Year	**-**	**-**	**34,396**	**0.00**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	**Mr. Milind Kulkarni**				
	Beginning of the year	**3,958**	**0.00**		
	Disposal on 9th June, 2014	(500)	(0.00)	3,458	0.00
	Disposal on 10th June, 2014	(2,000)	(0.00)	1,458	0.00
	Disposal on 30th June, 2014	(1,250)	(0.00)	208	0.00
	Acquisition on 27th November, 2014	6,667	0.00	6,875	0.00
	Disposal on 3rd February, 2015	(1,000)	(0.00)	5,875	0.00
	Disposal on 6th February, 2015	(1,000)	(0.00)	4,875	0.00
	Disposal on 16th February, 2015	(1,500)	(0.00)	3,375	0.00
	Disposal on 2nd and 3rd March, 2015	(3,000)	(0.00)	375	0.00
	Corporate Action for Sub-Division of face value on 21st March, 2015	750	0.00		
	Corporate Action for Issue of Bonus shares on 25th March, 2015	750	0.00	1,500	0.00
	At the end of the Year	**-**	**-**	**1,500**	**0.00**

Note: Mr. Anupam Puri, Mrs. M. Rajyalakshmi Rao and Mr. T. N. Manoharan did not hold any shares in the Company during the financial year 2014-15.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ **Million**)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	91.84	-	-	91.84
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**91.84**	**-**	**-**	**91.84**
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	(40.06)	-	-	(40.06)
Net Change	(40.06)	-	-	(40.06)
Indebtedness at the end of the financial year				
i) Principal Amount	51.78	-	-	51.78
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**51.78**	**-**	**-**	**51.78**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(₹ **Million)**

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		C. P. Gurnani (Managing Director & CEO)	Vineet Nayyar (Executive Vice Chairman)	
1.	Gross Salary			
(a)	Salary as per provisions contained in section 17(1) of the Income tax Act 1961	16.26	23.99	40.25
(b)	Value of perquisite u/s 17(2) of the Income tax Act 1961	0.00	0.00	0.00
(c)	Profits in lieu of Salary u/s 17(3) of the Income tax Act 1961	0.00	0.00	0.00
2.	Stock Option	1,631.43	1,163.11	2,794.54
3.	Sweat Equity	-	-	
4.	Commission			
	As % of profit	7.20	10.80	18.00
	Others Specify	-	-	-
5.	Others (Retiral Benefits)	0.81	1.21	2.02
	Total (A)	**1,655.70**	**1,199.11**	**2,854.81**
	Ceiling as per the Act	10% of Net Profit	10% of Net Profit	3,232.00

B. Remuneration to other directors

(₹ **Million)**

Sl. No	Particulars of Remuneration	Name of Directors					Total Amount
		Anupam Puri	M. Damodaran	Ravindra Kulkarni	M. Rajyalakshmi Rao	T. N. Manoharan	
1	**Independent Directors**						
(a)	Fee for attending board committee meetings	N.A	N.A.	N.A.	N.A.	N.A.	
(b)	Commission	6.58	5.95	7.52	5.95	7.52	33.52
(c)	Others - (Gain on Stock Options)	NIL	14.62	NIL	NIL	NIL	14.62
	Total (1)	**6.58**	**20.57**	**7.52**	**5.95**	**7.52**	**48.14**
		Anand G. Mahindra	**Bharat N. Doshi**	**Ulhas N. Yargop**	**-**	**-**	
2	**Other Non- Executive Directors**						
(a)	Fee for attending board committee meetings	N.A	N.A.	N.A.			
(b)	Commission	N.A.	6.58	7.52			14.10
(c)	Others – (Gain on Stock Options)	NIL	13.94	NIL			13.94
	Total (2)	**-**	**20.52**	**7.52**			**28.04**
	Total (B)= (1+2)						**76.18**
	Total Managerial Remuneration (A+B)						**2,930.99**
	Overall Ceiling as per the Act	1%	1%	1%	1%	1%	323.20

C. Remuneration to KMP other than MD,WTD/Manager

(₹ **Million**)

Sl. No	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Milind Kulkarni (Chief Financial Officer)	G. Jayaraman (Company Secretary)	
1.	Gross Salary				
(a)	Salary as per provisions contained in section 17(1) of the Income tax Act 1961	-	6.57	4.48	11.05
(b)	Value of perquisite u/s 17(2) of the Income tax Act 1961	-	0.02	0.03	0.05
(c)	Profits in lieu of Salary u/s 17(3) of the Income tax Act 1961	-	0.00	0.00	0.00
2.	Stock Option (perquisites)		17.35	10.09	27.44
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	As % of profit				
	Others Specify				
5.	Others - (Retiral Benefits)	-	0.34	0.24	0.58
	Total	**-**	**24.28**	**14.84**	**39.12**
	Ceiling as per the Act		NA	NA	NA

VII. PENALTIES /PUNISHMENT/COMPOUNDING OF OFFENCES:

There are no penalties/punishment/compounding of offences against Tech Mahindra Limited and its Directors and Officers for the year ended on 31^{st} March, 2015.

For and on behalf of the Board

Place: Mumbai
Date: May 26, 2015

Anand G. Mahindra
Chairman

ANNEXURE V

Disclosures as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1&2) Ratio of the remuneration of each director to the median remuneration of the employees of the Company and the percentage increase in remuneration of Directors & KMPs in the Financial Year :

Sl. No.	Name of the Director/ KMP	Designation	Ratio of Remuneration of each Director to Median Remuneration of Employees	Percentage increase in Remuneration during FY 2014-15
1	Anand G. Mahindra	Chairman	NA	0
2	Mr. Anupam Puri	Independent Director	11.60	16%
3	Mr. Bharat N. Doshi*	Non Executive Director	36.19	873%
4	Mr. M. Damodaran	Independent Director	36.28	70%
5	Mrs. M. Rajyalakshmi Rao*	Independent Director	10.49	38%
6	Mr. Ravindra Kulkarni	Independent Director	13.26	29%
7	Mr. T. N. Manoharan*	Independent Director	13.26	57%
8	Mr. Ulhas N. Yargop	Non Executive Director	13.26	29%
9	Mr. Vineet Nayyar	Executive Vice Chairman	2114.83	51%
10	Mr. C. P. Gurnani	Managing Director & Chief Executive Officer	2920.11	539%
11	Mr. Milind Kulkarni	Chief Financial Officer		40%
12	Mr. G. Jayaraman	Company Secretary & Chief Compliance Officer		65%

NOTE: The ratio and the percentage would be as under, if the perquisite value on stock options exercised by those Directors & KMPs is excluded from the remuneration:

Sl. No.	Name of the Director/ KMP	Designation	Ratio of Remuneration of each Director to Median Remuneration of Employees	Percentage increase in Remuneration during FY 2014-15
1	Mr. Bharat N. Doshi*	Non Executive Director	11.60	212%
2	Mr. M. Damodaran	Independent Director	10.49	21%
3	Mr. Vineet Nayyar	Executive Vice Chairman	63.49	(1.45%)
4	Mr. C. P. Gurnani	Managing Director & Chief Executive Officer	42.80	5.48%
5	Mr. Milind Kulkarni	Chief Financial Officer		10.35%
6	Mr. G. Jayaraman	Company Secretary & Chief Compliance Officer		0.21%

* Remuneration for FY 2013-14 is for part of the year hence not comparable

3) Percentage increase in the median remuneration of employees in the financial year	(11.19%)
4) Number of permanent employees on the rolls of Company as at March 31, 2015	78,930
5) Explanation on the relationship between average increase in remuneration and Company performance	Average increase in remuneration was 7%. The turnover of the Company increased by 17.6% & Profit Before tax decreased by 9.5%

(₹ Million)

6) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	Total Revenue	191,626.50
	Profit Before Tax	29,304.60
	Total Remuneratin to KMPs	2,893.93
	Total Remuneratin of KMPs as % to -	
	Total Revenue	1.51%
	Profit Before Tax	9.88%

7) i. Variations in the market capitalisation of the Company	The market capitalisation as on March 31, 2015 was ₹ 60,500 crores (₹ 41,900 crores as at March 31, 2014)
ii. Price Earnings ratio of the Company	26.7 as at March 31, 2015 and 15.5 as at March 31, 2014
iii. Percentage increase over/decrease in the market quotations of the shares of the Company as compared to the rate at which the Company came out with the last public offer in the year	The Company has come out with initial public offer (IPO) in August 2006. An amount of ₹ 365 invested in the said IPO would be worth ₹ 2,518 as on March 31, 2015 indicating a compounded annual growth rate of 25% which is excluding the dividend accrued thereon.
8) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The Average increase in remuneration of the employees other than managerial personnel was 7% as compared to the increase in the managerial remunaration by 168%. The increase in managerial remuneration was on account of exercise of stock options. Excluding the perquisite value of stock options exercised, the Managerial Remuneration was increased by 15%.

9) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company

Names of the KMPs	Remuneration in FY 2014-15 (₹ Million)	Revenue (₹ Million)	Remuneration as % of revenue	Profit Before Tax (₹ Million)	Remuneration (as % of PBT)
Mr. Vineet Nayyar	1199.11	191,626.50	0.63%	29,304.60	4.09%
Mr. C. P. Gurnani	1655.70	191,626.50	0.86%	29,304.60	5.65%
Mr. Milind Kulkarni	24.28	191,626.50	0.01%	29,304.60	0.08%
Mr. G. Jayaraman	14.84	191,626.50	0.01%	29,304.60	0.05%

10) The key parameters for any variable component of remuneration availed by the Directors	Executive Directors - Nomination and Remuneration Committee determines the variable compensation annually based on their individual and organisation performance. Non-Executive Directors - Parameters such as responsibilities undertaken, Membership or Chairmanship of the Committees, time spent in carrying out duties etc.
11) Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not Applicable
12) Affirmation that the remuneration is as per the remuneration policy of the Company	It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, KMPs and other Employees.

For and on behalf of the Board

Place: Mumbai
Date: May 26, 2015

Anand G. Mahindra
Chairman

ANNEXURE VI

Disclosures as required under Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 read with SEBI Regulations as on 31st March 2015.

	Particulars	ESOP 2000	ESOP 2004	ESOP 2006	ESOP 2010	ESOP 2014	ESOP-A	TML ESOP B 2013	TML RSU	TML ESOS
A.										
1	Total Number of options granted	5,640,780	10,219,860	8,929,025	7,736,138	5,819,600	749,889	11,152,151	3,116,585	30,144
2	Options Granted during the year	0	Nil	0	0	5,819,600	0	304,000	224,000	0
3	The Pricing Formula	Under the scheme, options were granted prior to the listing of the Company's shares. These options were granted, based on the annual valuation done by an independent Chartered Accountant. Options granted during the current financial year are granted at an exercise price equal to the face value of the share	Under the scheme, all options were granted prior to the listing of the Company's shares. These options were granted, based on the annual valuation done by an independent Chartered Accountant.	Under the scheme, all options were granted prior to the listing of the Company's shares.These options were granted, based on the annual valuation done by an independent Chartered Accountant. The grants made post listing of the Company's shares on Stock Exchange have been made as	Under the scheme, all options were granted at the face value of the shares.	The price determined by the Nominations & Remuneration Committee of Directors from time to time in accordance with the notifications, guidelines and clarifications issued by SEBI or any other statutory authority from time to time as applicable.	The price determined by the Board of Directors from time to time in accordance with the notifications, guidelines and clarifications issued by SEBI or any other statutory authority from time to time as applicable.	Up to 26th September 2013, options were priced at higher of 1) The closing price of the shares on the date of the meeting of the compensation committee convened to grant the stock options on the stock exchange where highest volumes are traded OR 2) The average of two weeks high and low price of the share preceding the date of grant of option on the stock exchange on which the shares of the company are listed; whichever is higher Post 26th September 2013: The options are priced as per the latest available closing price on the Stock Exchange with the highest trading volume, prior to the date of the meeting of the Compensation Committee in which options were granted.	Under the scheme, all options were granted at the face value of the shares.	The price determined by the Nominations & Remuneration Committee of Directors from time to time.
4	Number of options vested and exercisable as on March 31, 2015	995,264	1,474,493	827,660	7,239,794	0	11,392	4,626,468	770,446	30,144
5	Number of options exercised during the year	101,520	1,474,493	158,940	157,902	0	48,596	414,605	157,872	0
6	Total number of shares arising during the year as a result of exercise of options	101,520	1,474,493	158,940	157,902	0	48,596	414,605	157,872	0
7	Number of options lapsed and forfeited during the year	1,160	Nil	64,150	11,003	73,700	26,127	86,810	71,206	0
8	Variation in the terms of options during the year	No variation	No variation	No variation	No variation	No variation	No variation	No variation	No variation	No variation
9	Money realised by exercise of options during the year (₹)	70,862,620	98,791,031	99,295,570	1,588,190	0	5,831,520	322,862,789	1,633,640	0
10	Total Number of Options in force	1,528,600	Nil	2,670,760	7,248,714	5,524,800	662,316	10,105,632	2,772,714	30,144

ANNEXURE VI

Disclosures as required under Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 read with SEBI Regulations as on 31st March 2015. (Contd)

	Particulars	ESOP 2000	ESOP 2004	ESOP 2006	ESOP 2010	ESOP 2014	ESOP-A	TML ESOP B 2013	TML RSU	TML ESOS
B.	**Employee-wise details of options granted to:**									
(i)	Senior managerial personnel									
	Name	No. of options granted	No. of options granted	No. of options granted	No. of options granted		No. of options granted	No. of options granted	No. of options granted	
	Nil									
(ii)	Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year	None of the Employees were granted more than 5% or more of the options granted during the year								
(iii)	Identified employees who were granted option, during any one year, equal or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C.	Diluted Earnings Per Share pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20	₹ 22.96								
D.	Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed	The Company uses the intrinsic value based method of accounting for stock options granted after 1st April 2005. Had the compensation cost for the Company's stock based compensation plan been determined in the manner consistent with the fair value approach, the Company's net income would be lower by ₹ 398 Million and earnings per share (Basic) would have been ₹ 23.16.								
E.	Weighted average exercise price of Options granted during the year whose									
(a)	Exercise price equals market price (₹)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b)	Exercise price is greater than market price (₹)	2,487.70	Nil	Nil	Nil	2,487.70	Nil	2,161.40	Nil	Nil

ANNEXURE VI

Disclosures as required under Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 read with SEBI Regulations as on 31st March 2015. (Contd)

	Particulars	ESOP 2000	ESOP 2004	ESOP 2006	ESOP 2010	ESOP 2014	ESOP-A	TML ESOP B 2013	TML RSU	TML ESOS
(c)	Exercise price is less than market price (₹)	566.65	Nil	Nil	Nil	566.65	Nil	1,794.40	11.51	Nil
F.	Weighted average fair value of Options granted during the year whose									
(a)	Exercise price equals market price (₹)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b)	Exercise price is greater than market price (₹)	1,104.21	Nil	Nil	Nil	1,104.21	Nil	933.26	Nil	Nil
(c)	Exercise price is less than market price (₹)	2,238.53	Nil	Nil	Nil	1,104.21	Nil	823.35	2,231.96	Nil
G.	**Method and Assumptions used to estimate the fair value of options granted during the year**									
	The fair value has been calculated using the Black Scholes Option Pricing model. The assumptions used in the model are as follows									
		Weighted Average Assumptions								
	1. Risk Free Interest Rate	Nil	Nil	Nil	Nil	8.58%	Nil	8.65%	8.64%	Nil
	2. Expected Life (in years)	Nil	Nil	Nil	Nil	5.36	Nil	5.23	5.24	Nil
	3. Expected Volatility	Nil	Nil	Nil	Nil	37.48%	Nil	37.94%	37.96%	Nil
	4. Dividend Yield	Nil	Nil	Nil	Nil	0.72%	Nil	0.72%	0.72%	Nil
	5. Price of the underlying share in market at the time of the option grant (₹)	Nil	Nil	Nil	Nil	2,451.12	Nil	2,029.74	2,045.38	Nil

For and on behalf of the Board

Place: Mumbai
Date: May 26, 2015

Anand G. Mahindra
Chairman

ANNEXURE VII

FORM NO. AOC-2

(Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies(Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1	Details of contracts or arrangements or transactions not at arm's length basis:									
Sr No.	Name(s) of the related party	Nature of relationship	Nature of Transaction	Duration of the transactions	Salient features of the Transactions	Transactions value	Justification for transaction	Date(s) of approval by the Board	Amount paid as advances	Date of special resolution
1	NIL	NIL	NIL	NIL	NA	NIL	NIL	NIL	NIL	NIL

2	Details of material contracts or arrangement or transactions at arm's length basis							
Sr No.	Name(s) of the related party	Nature of relationship	Nature of Transaction	Duration of the transactions	Transactions value (₹ Million)	% to Consol revenue	Date(s) of approval by the Board, if any	Amount paid as advances
1	Tech Mahindra (Americas) Inc.	Subsidiary	Revenue	April 2014 - March 2015	2,779	1%	Since these RPTs are in the ordinary course of business and are at arms length basis, approval of the Board is not applicable. However, these are reported to the Audit Committee / Board at their quarterly meetings.	NA
			Sub-contracting Expenses		44,281	20%		
			Reimbursement of Expenses (Net)- Paid / (Receipt)		(1,128)	0%		
			Assets transferred		1	0%		
			Investments made		10,696	5%		
			Acquisition of company		6	0%		

For and on behalf of the Board

Place: Mumbai
Date: May 26, 2015

Anand G. Mahindra
Chairman

ANNEXURE VIII

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Companies (Accounts) Rules, 2014

A) CONSERVATION OF ENERGY

Your Company uses electrical energy for its equipment such as air-conditioners, computer terminals, lighting and utilities at work places. As an on going process, the Company continued to undertake the following measures to conserve energy:

1. Power savings of 2 % per associate achieved in 2014-15 as compared to 2013-14, through effective operational controls and close monitoring of utilization.
2. Installed 250 KW and 265 KW of Solar power plants at Pune - Hinjewadi campus and Chennai TMCC campus respectively.
3. Installed LED Lighting in TMIC, to optimize the Power consumption.
4. Generated 1,55,065 units of green power through solar power plant at Pune-Hinjewadi campus and Chennai TMCC campus, which lead to reduction of GHG emissions.
5. Recycling of wet waste through vermi-compost yielded 20.06 tons of manure which was used for landscaping.

B) TECHNOLOGY ABSORPTION

(a) Research and Development (R&D):

1. Specific Areas in which R&D work has been done by the Company and benefits expected:

Your company has taken various steps in R&D areas and the details are summarized below:

Cloud Services

The IP DEVELOPED around Cloud address Industry specific pain points:

- PIMS & MARSHAL– A Microsoft Azure based solution for Oil and Gas for Pipe Incident Management for quicker turnaround time for localizing the problem in pipe system.
- Shelf Monitor, REIMS for Retail – A retail vertical specific solution that helps retail SMEs to use this in a SaaS model.
- UBI for Insurance – Data management and monetization in SaaS model.

Two frameworks were deployed to increase the cloud adoption in enterprise and telco ecosystem namely IMPACT Methodology and PACE Framework for Cloud Advisory services.

Testing industrialization

The company's testing services industrialization is driven through lean tools, shared services, engaging right talent, standardization of processes and cutting edge innovation. A standardized tool set has been constructed based on technology stack and delivery frameworks, integrating processes across the lifecycle to deliver zero deviations in quality. 50+ COTS and bespoke tools have been developed and deployed to date, across SDLC.

DevOps

In this space the company has developed reference architectures which enables clients to integrate multiple technologies required to deliver this capability. This capability offers to help customers by integrating prominent products from leading product vendors including CA, HP, Microsoft, CollabNet and IBM.

Platforms

The company developed the **Network Analytics platform** to address network performance and capacity issues. This platform provides a 360 degree view in areas of business and operations. This platform is an end-2-end solution that focuses not only on analyzing the data but also on its collection from different network elements, transmission and modeling. Predictive algorithms implemented within this platform help customers pre-empt a problem and prevent the problem from arising.

The company developed **Capio**, a robust Order Fallout Management solution and the Socio platform providing leading accuracy on text analytics based on Net Promoter® score.

The company also developed **mEMS**, a unified portalfor customers to manage services from service catalog, assets, SLA reports, Availability and Capacity reports and Billing details.

IMS

The company invested in building 3 exciting platforms namely:

1) **IT Service Automation platform** for creating a Workflow based automation platform as opposed to task based automation.

2) **Unified Service Operation platform (USOP)**, the envisioned next generation managed IT services platform to meet the scalability, complexity and performance requirements of enterprise IT services and

3) **Managed platform for Adaptive Computing (mPAC)**, to transform the enterprise computing sourcing and deployment models by leveraging emerging technologies such as cloud management platforms, public cloud services, orchestration, workload management, etc.

Manufacturing

The company developed **Cognipal (Cognitive Companion)**, a vehicle infotronics & infotainment solution which aims to convert the vehicle into intelligent machine with features such as real-time tracking, monitoring driving patterns and offering tips to improve vehicle performance.

Energy & Utilities

Intelligent Electric Vehicle Charging Solution (IEVCS): The company developed this innovative integrated M2M and Real Time Analytics platform solution, whereby electrical utilities can manage high power demand anticipated with increasing density of EVs with the residents without adding network capacity.

Integrated Engineering Solutions

Aerospace & Defense

The company built war gaming simulation software for tri services integration: Design, develop and deploy a Joint war gaming package using GIS based models.

Industrial & Hitech

The company developed Joint NPI (New Product Introduction) programmes with customers for end to end product development of security products and Glocalizing the customer product portfolio through ecosystem of partners.

The company also developed Mass Storage Device Validator (MSDV) for solid state drives (SSDs) with Storage device manufacturers & Enterprise OEMs.

2. Future plan of action:

- The company continues to focus on IP development in exciting technologies like wearable devices, gesture-controlled innovations, 3D image compression algorithms for rendering for mobile devices. The usage of such technologies is going to find increasingly large use in e-commerce, healthcare, automotive and gaming space.
- The company is also working with some of the leading operators to develop the next generation solutions in the Software Defined Networks (SDN).
- The company is also foraying into the Network function virtualization (NFV), Web RTC and disruptive technologies in Predictive Analytics in FY15.
- The company is also working on next generation robots for the Manufacturing industry, including cognitive robotics.

(b) Technology Absorption, Adaptation and innovation:

Your company has adopted a 6 pillar Innovation strategy that looks both inward as well as at the external eco-system that has helped the company substantially and has positioned it for substantial growth in the future. The 6 pillar approach comprises of

- Inhouse innovation program called IRIS, which among other things runs regular cross-organisation and participative programs for ideation on emerging trends and technologies

- Co-innovation with customers program
- Co-innovation with Partners
- Vertical Horizontal Innovation
- Innovation with External eco-system and universities

Intrapreneurship program, an in-house entrepreneurial programme to develop next-gen solutions and seed high potential/ disruptive ideas.

The company also established a dedicated center of excellence for Data Management Services to capitalize on the rapid data services business. Tech Mahindra improved the existing DMS IP by building reusable platforms and also obtained U.S. copyright for one of the key Data Management platforms (UDMF).

The company launched comprehensive packaged analytics platform for Manufacturing (Enterprise xPert) & Retail (REIMS) leveraging its iDecisionsTM.

(c) Information regarding imported technology (Imported during last three years)

Details of technology imported	Technology import from	Year of import	Status implementation / absorption
NIL	Not Applicable	Not Applicable	Not Applicable

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

1.	Initiatives like increasing exports, Development of new export markets etc., to increase foreign exchange	95.94% of the total revenue of the company is from exports.
2.	Foreign Exchange Earning	₹ 183,856 Million
3.	Foreign Exchange outgo	₹ 103,653 Million

For and on behalf of the Board

Place: Mumbai
Date: May 26, 2015

Anand G. Mahindra
Chairman

ANNEXURE IX

Annual Report on CSR activities for the Financial Year 2014-15

1. **A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

Tech Mahindra Limited (TML) is a leading provider of solutions and services in the Information, Communications & Technology industry. The CSR vision of TML is *Empowerment through Education.* All social investments of the company are accordingly aligned to the attainment of this overall vision.

The TML has established Tech Mahindra Foundation (TMF) in 2007 and Mahindra Educational Institutions (MEI) in 2013, under Section 25 of Companies Act, 1956 (referred to as a Section 8 Company in Companies Act, 2013) with dedicated professionals to carry out its CSR activities. The TMF has been focusing on implementation projects related to education and employability while MEI implements higher education projects. A brief profile of the projects undertaken by TMF and MEI are given below.

Projects	Description
Tech Mahindra Foundation: Promoted quality education and employability for vulnerable sections of society through vibrant and innovative partnerships with the Government, NGO's, CBO's and other organisations across ten major cities of India.	
School Education: Projects are aimed to improve the quality of school education through infrastructure improvement, capacity building of all stakeholders and supplementary education.	
ARISE	All Round Improvement in School Education
ARISE+	ARISE for children with disabilities
Shikshaantar	Training/Capacity Building of Teachers
Shiksha Samvardhan	Remedial and Supplementary Education
Employability: Projects supported the Government of India's larger vision of skill development of youth through developing their market-oriented skills and linking them to potential employers. These projects seeks to benefit school drop-outs, people with disabilities and those unable to go into higher education, among others with specific focus on women.	
SMART	Skills-for-Market Training
SMART+	SMART for youth with disability
SMART-T	SMART with Technical trades
Mahindra Educational Institutions: Established institutions of higher education, promoted research and development and collaborated with other renowned institutions to contribute towards the goal of high quality technical education systems in India.	
Technical Education: The Mahindra École Centrale (MEC) project provided high quality technical education in engineering and computer technology for the students. MEC is an international quality, technology school with assured career progression for engineering aspirants. It focuses on multi-disciplinary knowledge, personality development, and critical-creative thinking. MEC College of Engineering, heralds the Rise of the New Engineer in India.	

A copy of Tech Mahindra's **CSR Vision and Policy Document** is available online at:
http://www.techmahindra.com/sites/ResourceCenter/Brochures/Society/CSR_Policy.pdf

2. Composition of the CSR Committee.

The Corporate Social Responsibility (CSR) Committee of the Company is composed of the following:

Mr. Vineet Nayyar, Chairman

Mrs. M. Rajyalakshmi Rao, Member

Mr. Ulhas N. Yargop, Member

3. Average net profit of the Company for the last three financial years.

Following is the net profit* before tax (PBT) for the last three financial years:

FY 2011-12	: ₹ 578 Crores
FY 2012-13	: ₹ 817 Crores
FY 2013-14	: ₹ 3,237 Crores
The average net profit before tax comes to	: ₹ 1,544 Crores

** The net profit includes profits earned by overseas branches.*

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).

₹ 30.88 Crores (that is, 2% of ₹ 1,544 Crores)
(Two per cent of the average profit before tax of the immediately preceding three years)

5. Details of CSR spend during the financial year

(a) Total amount spent for the financial year 2014-15: ₹ 53.21 Crores

(b) Amount unspent, if any: Nil

(c) Manner in which the amount was spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	**CSR Project or activity identified**	**Sector in which the project is covered**	**Projects or programs: (1) Local area or other (2) Specify the State and district where projects or programs was undertaken**	**Amount outlay (budget) project or programs-wise**	**Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads**	**Cumulative expenditure up to the reporting period**	**Amount spent Direct or through implementing agency**
			Programme	**Budget (₹ Crores)**	**Spent (Unspent) (₹ Crores)**	**Spent (Unspent) (₹ Crores)**	
1	**Employability**	Schedule VII, Item 2 (promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects)	- SMART	8.37	7.85 (0.52)		100% amount spent through implementing agencies
			- SMART+	1.33	1.31 (0.02)		
			- SMART T	0.32	0.32 (0)		
			- Research / Advisory	0.31	0.26 (0.05)		
				10.33 (total)		**9.74 (0.59)**	
			- Programme Administration (like Communication, Volunteering, Training, Consultancy etc)	0.75 (approx)	0.68 (approx)	0.68 (.07)	
				11.08 (grand total)		**10.42 (0.66)**	

(1) S. No	(2) CSR Project or activity identified	(3) Sector in which the project is covered	(4) Projects or programs: (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs-wise	(6) Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	(7) Cumulative expenditure up to the reporting period	(8) Amount spent Direct or through implementing agency
			Programme	**Budget (₹ Crores)**	**Spent (Unspent) (₹ Crores)**	**Spent (Unspent) (₹ Crores)**	
2	**School Education**	Same as (1)	- ARISE	5.66	5.36 (0.30)		100% amount spent through implementing agencies, except for two projects: (a) Shikshak Samman Award (b) In-Service Teacher Education Institute
			- ARISE+	3.39	3.32 (0.07)		
			- Shikshaantar	2.24	1.88 (0.36)		
			- Shiksha Samwardhan	6.88	6.53 (0.35)		
				18.17 (total)		**17.09 (1.08)**	
			- Programme Administration (like Communication, Volunteering, Training, Consultancy etc)	0.75 (approx)	0.49 (approx)	0.49 (0.26)	
				18.92 (grand total)		**17.58 (1.34)**	
3	**Technical Education**	Same as (1)	- Mahindra Ecole Centrale (MEC)	22.50	22.50 (0)	22.50 (0)	100% amount spent directly on programmes
				(₹ Crores)	**Spent (Unspent) (₹ Crores)**	**Spent (Unspent) (₹ Crores)**	
Three activities, through nine programmes, across 10 cities, delivered by two agencies – Tech Mahindra Foundation (TMF) and Mahindra Educational Institutions (MEI).				30.00 (TMF)*	--	28.00 (2.00)	
				22.50 (MEI)	--	22.50 (0)	
				52.50 (total)	--	**50.50 (2.00 Cr)**	

Note:

(1) The prescribed CSR expenditure for Tech Mahindra for the financial year 2014-15 was ₹ 30.88 Crores (that is, 2% of ₹ 1,544 Crores), calculated against the average PBT for the immediately preceding three financial years (2011-12, 2012-13 and 2013-14).

(2) Tech Mahindra operated with a budget of ₹ 52.50 Crores, and spent ₹ 50.50 Crores over the financial year, through two agencies – Tech Mahindra Foundation (TMF) and Mahindra Educational Institutions (MEI), under three activities and nine programmes across ten locations.

(3) Against the mandated spend of ₹ 30.88 Crores, Tech Mahindra spent ₹ 50.50 Crores. As can be seen, Tech Mahindra's spending in corporate social responsibility comes out to be substantially higher than the amount prescribed/mandated under Companies Act, 2013.

6. **In case, the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in the Board report.**

   Tech Mahindra has spent substantially more than the average net profit of the last three financial years (₹ 50.50 Crores actual against mandated ₹ 30.88 Crores).

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

   The implementation and monitoring of projects and programmes is in compliance with CSR objectives and policy of the Company. The Company's CSR expenditure is substantially more than the amount statutorily mandated.

Sd/-

Mr. C. P. Gurnani
(Managing Director & CEO)

Sd/-

Vineet Nayyar
(Chairman – CSR Committee)

For and on behalf of the Board

Place: Mumbai
Date: May 26, 2015

Anand G. Mahindra
Chairman

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Tech Mahindra's philosophy on Corporate Governance is embedded in its rich legacy of ethical governance practices, most of which were implemented before they were mandatorily prescribed. Your Company believes that Corporate Governance is a set of guidelines to help fulfill its responsibilities to all its stakeholders. It is a reflection of the company's culture, policies, relationship with stakeholders, commitment to values and ethical business conduct. In the same spirit, timely and accurate disclosure of information regarding the financial position, performance, ownership and governance of the company is an important part of your company's corporate governance.

II. BOARD OF DIRECTORS:

Your Company has a balanced mix of eminent executive, non-executive and independent directors on the Board. The Board consists of 5 Independent Directors including 1 Women Director, 3 Non-Executive Directors and 2 Executive Directors.

During the year 2014-15, six meetings of the Board of Directors were held on 13th & 14th May 2014, 31st July & 01st August 2014, 09th September 2014, 29th October 2014, 22nd December 2014 and 30th January 2015.

The names and categories of the Directors on the Board, their attendance at the Board and the Annual General Meeting held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies as on 31st March, 2015 are given below:

Sr. No.	Name	Category	No. of Board meetings attended	Attendance at the AGM held on 01st August 2014	Directorship in other Companies[1]	No. of Committee positions held in other public Companies[2]	
						As Chairman	As Member
1.	Mr. Anand G. Mahindra	Non-Executive Chairman	6	Yes	5	Nil	1
2.	Mr. Anupam Puri	Independent Director	3*	Yes	3	Nil	1
3.	Mr. Bharat N. Doshi	Non-Executive	6	Yes	5	1	2
4.	Mr. C. P. Gurnani	Managing Director	4**	Yes	3	Nil	1
5.	Mr. M. Damodaran	Independent Director	4	Yes	5	3	4
6.	Mrs. M. Rajyalakshmi Rao	Independent Director	5	Yes	1	Nil	Nil
7.	Mr. Ravindra Kulkarni	Independent Director	6	Yes	6	2	2
8.	Mr. T. N. Manoharan	Independent Director	5*	Yes	1	Nil	2
9.	Mr. Ulhas N. Yargop	Non-Executive	6	Yes	2	1	Nil
10.	Mr. Vineet Nayyar	Executive Vice Chairman	5*	Yes	4	Nil	Nil

[1]Does not include private companies, foreign companies and companies established under Section 8 of the Companies Act, 2013.
[2]Represents Audit Committee and Stakeholders Relationship Committee in public companies, excluding that of Tech Mahindra Limited
(*) In addition attended one meeting through Teleconference.
(**) In addition attended two meetings through Teleconference.

Independent Directors:

The shareholders in its last Annual General Meeting held on 01st August 2014 appointed all five Independent Directors to hold office for a term of five consecutive years commencing from 01st August 2014. A formal letter of appointment was issued to each Independent Director pursuant to the provisions of the Companies Act, 2013. None of the Independent Directors of the Company are serving as an independent director in more than seven listed companies.

Independent Directors meet every quarter, exclusively without the presence of executive management.

III. COMMITTEES OF THE BOARD:

Keeping in view of the better Governance and focused discussion, the Board has constituted various committees with specific terms of the reference and scope. The details of the committees constituted by the Board are given below:

a) AUDIT COMMITTEE:

The Audit Committee of the Board of Directors meets the criteria laid down under Section 177 of the Companies Act, 2013, read with Clause 49 of the Listing Agreement. The terms of reference to the Audit Committee inter alia includes:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or preapproval or any subsequent modification of transactions of the company with related parties except the transactions with a wholly owned subsidiary whose accounts are consolidated with the company and placed before the shareholders at the General Meeting for approval;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- To review the functioning of the Whistle Blower mechanism.

The composition of the Audit Committee, meetings held, and attendance of the members are given below:

There were six meetings held during the Financial Year 2014-15 on 13th May 2014, 01st July 2014, 31st July 2014, 09th September 2014, 29th October 2014 and 30th January 2015.

Name	Category	Number of Audit Committee meetings attended
Mr. T. N. Manoharan	Chairman, Independent Director	6
Mr. Anupam Puri	Independent Director	2*
Mr. M. Damodaran	Independent Director	6
Mr. Ulhas N. Yargop	Non-Executive	6

(*) In addition attended one meeting through Teleconference.

Mr. G. Jayaraman, Company Secretary is the Secretary to the Committee.

The Executive Vice Chairman, Managing Director, Chief Financial Officer, the Statutory Auditors and the Internal Auditors are the invitees to the meetings of the Committee.

The Audit Committee meets with statutory auditors without the presence of management at its meetings.

Mr. T. N. Manoharan, the Chairman of the Audit Committee, was present at the Annual General Meeting of the Company held on 01st August, 2014.

b) NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee of the Board of Directors meets the criteria laid down under Section 178 of the Companies Act, 2013, read with Clause 49 of the Listing Agreement.

The terms of reference to the Nomination & Remuneration Committee are as given below:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

- Formulation of criteria for evaluation of Independent Directors, Committees of Board and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- To develop and review induction procedures for new appointees to the Board to enable them to become aware of and understand the Company's policies and procedures and to effectively discharge their duties;
- To formulate Employees stock option plans in compliance with the applicable provisions of the Companies Act, 2013 and the Regulations notified by SEBI in this regard, to administer the approved stock option plans including grant, cancellation of options to the eligible employees and to review and modify the existing plans as may be required.

The composition of the Nomination & Remuneration Committee and particulars of meetings attended by the members are given below:

There were five meetings held during the Financial Year 2014-15 on 13th May 2014, 31st July 2014, 09th September 2014, 29th October 2014 and 30th January 2015.

Name	Category	Number of Compensation & Nominations Committee meetings attended
Mr. Ravindra Kulkarni	Chairman, Independent Director	5
Mr. Anupam Puri	Independent Director	2*
Mr. Ulhas N. Yargop	Non-Executive	5

(*) In addition attended one meeting through Teleconference.

Mr. G. Jayaraman, Company Secretary is the Secretary to the Committee.

The Executive Vice Chairman, Managing Director, Chief Peoples Officer and Chief Financial Officer are the invitees to the meetings of the Committee.

Remuneration policy:

The Governance Policies of the Company contains policy on Remuneration to Directors, KMPs, Senior Management Personnel & Other Employees.

While deciding on the remuneration for Directors, the Board and Nomination & Remuneration Committee consider the performance of the Company, the current trends in the industry, the director's participation in Board and Committee meetings during the year and other relevant factors.

The performance of the Company and individual performance as well employees' potential, criticality and longevity in the grade are considered while determining remuneration to the Employees.

The details of remuneration paid to the Directors are given in Form MGT–9 forming part of the Directors Report.

c) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee (SRC) of the Board of Directors meets the criteria laid down under Section 178 of the Companies Act, 2013, read with Clause 49 of the Listing Agreement. Mr. Ravindra Kulkarni, Independent Director is the Chairman of the Committee. Mr. Vineet Nayyar and Mr. Ulhas N. Yargop are the other members of the Committee. Mr. G. Jayaraman, Company Secretary is the Secretary to the Committee. During the year, two meetings were held on 01st August, 2014 & 30th January, 2015 which were attended by all Committee members.

Terms of reference: The SRC looks into redressal of shareholders' and investors' complaints, issue of duplicate / consolidated share certificates and review of cases for refusal of transfer/ transmission of shares and reference to statutory and regulatory authorities. The status of complaints received and resolved during the year is as under:

Pending complaints as on 01st April, 2014	Complaints received during the year	Complaints disposed during the year	Complaints pending as on 31st March, 2015
0	87	87	0

d) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Board of Directors constituted the Corporate Social Responsibility Committee (CSR) of the Board at its meeting held on 07th November, 2013. This Committee meets the criteria laid down under Section 135 of the Companies Act, 2013 and Rules made therein. Mr. Vineet Nayyar, Executive Vice Chairman, is the Chairman of the Committee, Mrs. M. Rajyalakshmi Rao and Mr. Ulhas N. Yargop are the other members of the Committee. Mr. G. Jayaraman, Company Secretary is the Secretary to the Committee. During the year, two meetings were held on 01st August, 2014 & 29th January, 2015 which was attended by all the Committee members.

Terms of reference of the CSR Committee are:

a. Formulate and recommend to the Board, a CSR policy indicating the activities from the specified list of activities in Schedule VII of the Act.

b. Recommend the amount of expenditure to be incurred for the chosen activities.

c. Monitor the CSR Policy and activities from time to time

d. To carry on such task and activities as may be assigned by the board of directors from time to time.

e) RISK MANAGEMENT COMMITTEE:

The Board of Directors constituted the Risk Management Committee of the Board at its meeting held on 31st July 2014. The Board approved a detailed framework on Risk Management which inter alia covers the roles and responsibilities of the Risk Management Committee and delegated the monitoring and reviewing of the risk management plan to the Committee. The risk management function was earlier being taken care by the Audit Committee.

Mr. T. N. Manoharan is the Chairman of the Committee. Mr. Anupam Puri, Mr. M. Damodaran and Mr. Ulhas N. Yargop are the other Members of the Committee. Mr. G. Jayaraman, Company Secretary is the Secretary to the Committee. The Executive Vice Chairman, Managing Director and Chief Financial Officer are the invitees to the meetings of the Committee. The Committee met on 29th October, 2014 which was attended by all the members except Mr. Anupam Puri.

f) INVESTMENT COMMITTEE:

The Board of Directors constituted the Investment Committee of the Board at its meeting held on 09th September 2014. The terms of reference to the Investment Committee primarily includes consideration and approval of investment proposals within the limits delegated by the Board of Directors. Mr. Ravindra Kulkarni, Independent Director is the Chairman of the Committee. Mr. Vineet Nayyar, Mr. C. P. Gurnani, Mr. Anupam Puri, Mr. Bharat N. Doshi, and Mr. Ulhas N. Yargop are the other Members of the Committee. Mr. G. Jayaraman, Company Secretary is the Secretary to the Committee. The Chief Financial Officer and Dy. Chief Financial Officer are the invitees to the meetings of the Committee. During the year, two meetings were held on 20th November, 2014 & 07th January, 2015, which was attended by majority of the Committee members.

g) EXECUTIVE COMMITTEE:

The Committee was formed to deal with urgent matters requiring immediate action of the Board of Directors before a meeting of the Board could be convened. Mr. Vineet Nayyar is the Chairman of the Committee. Mr. Bharat N. Doshi and Mr. Ulhas N. Yargop are the other Members of the Committee. During the year, one meeting was held on 20th November, 2014 which was attended by all the Committee members.

h) SECURITIES ALLOTMENT COMMITTEE:

The Committee was formed to enable allotment of shares upon exercise of options under ESOP and allotment of securities as may be delegated by the Board of Directors from time to time for any specific issues of securities. Mr. Vineet Nayyar is the Chairman of the Committee. Mr. C. P. Gurnani and Mr. Ulhas N. Yargop are the other Members of the Committee.

IV. GENERAL BODY MEETINGS:

(i) The details of the last three Annual General Meetings of the Company and the Special Resolutions passed thereat are as under:

Year	Location of AGM	Date	Time	Special Resolutions passed
2012	Y. B. Chavan Auditorium, General Jagannath Bhosle Marg, Nariman Point, Mumbai - 400 021.	August 10, 2012	3.30 p.m.	- Alteration of Articles of Association pursuant to Section 31 of the Companies Act, 1956. - Approval of members for further grant of options under the Employee Stock option Plan 2000.
2013	Y. B. Chavan Auditorium, General Jagannath Bhosle Marg, Nariman Point, Mumbai - 400 021.	September 26, 2013	3.30 p.m.	- Appointment of Mr. Vineet Nayyar as Executive Vice Chairman of the company effective 10th August 2012 for a period of 3 years. - Alteration of Articles of Association pursuant to Section 31 of the Companies Act, 1956. - Approval of Members to enhance the ceiling on holding of Foreign Institutional Investors upto 49% of paid up equity capital. - Approval of members for increasing the limit of grants to the associates/ employees/ directors under Restricted Stock Units scheme of erstwhile Mahindra Satyam. - Approval of members to amend the pricing formula of ASOP-B Scheme of erstwhile Mahindra Satyam.
2014	Birla Matushri Sabhagar, 19, Marine Lines, Mumbai - 400 020,	August 01, 2014	2.00 p.m.	- Special Resolution for approving payment of commission under Section 197 of the Companies Act, 2013 upto 1% per annum of the net profits of the Company to non-executive directors for the period of five years commencing from 1st April 2015. - Approval for Employee Stock Option Plan 2014 for the benefit of employees and directors. - Approval for Employee Stock Option Plan 2014 for the benefit of employees of the subsidiary companies and directors. - Approval for authorizing Board of directors to enter into related party transaction(s) as per Clause 49(VII) of the equity listing agreement as contained in SEBI Circular CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014.

(ii) Details of Special Resolutions passed through Postal Ballots during the year 2014-15:

(a) Issue of Bonus shares and alteration of capital clause in Memorandum and Articles of Association:

Pursuant to the provisions of Section 110 and applicable provisions, if any of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (the Rules) and Clause 35B of the Listing Agreement, Shareholders have passed Special resolutions through Postal Ballot and e-voting approving the issue of Bonus shares in the ratio of 1:1 and alteration of the Capital Clause in the Memorandum and Articles of Association of the Company for Sub-Division of Equity Shares from the existing face value of ₹ 10/- per Equity Share to ₹ 5/- per Equity Share.

Mr. Jayavant B. Bhave, Practicing Company Secretary (FCS: 4266 CP: 3068) and Partner M/s. JDNASSA & Associates, Company Secretaries, the Scrutinizer for this purpose conducted the postal ballot and e-voting process. The procedure of the postal ballot and details of voting pattern were submitted to the stock exchanges and posted on the website of the Company www.techmahindra.com.

The details of voting pattern in the postal ballot process are given below:

1. Approval for issue of bonus shares in the ratio of one equity share for every one equity share held by the member by capitalisation of free reserves:

Promoter / Public	Number of Votes in favour	Number of Votes Against	% of Votes in favour on Votes polled	% of Votes Against on Votes polled
E-voting				
Promoter and Promoter Group	64062176	0	100.0000	0.0000
Public Institutional Holders	88867720	0	100.0000	0.0000
Public-Others	1898366	9565	99.4987	0.5013
Total(A)	**154828262**	**9565**		
Postal Ballot				
Promoter and Promoter Group	24050476	0	100.0000	0.0000
Public Institutional Holders	1075306	0	100.0000	0.0000
Public-Others	185177	387	99.7914	0.2086
Total(B)	**25310959**	**387**		
Result (A+B)	**180139221**	**9952**	**99.9945**	**0.0055**

2. Approval to amend the Capital Clause (Clause V(a)) of the Memorandum of Association:

Promoter /Public	Number of Votes in favour	Number of Votes Against	% of Votes in favour on Votes polled	% of Votes Against on Votes polled
E-voting				
Promoter and Promoter Group	64062176	0	100.0000	0.0000
Public Institutional Holders	88818397	0	100.0000	0.0000
Public-Others	1896423	9771	99.4874	0.5126
Total(A)	**154776996**	**9771**		
Postal Ballot				
Promoter and Promoter Group	24050476	0	100.0000	0.0000
Public Institutional Holders	1075306	0	100.0000	0.0000
Public-Others	184969	501	99.7299	0.2701
Total(B)	**25310751**	**501**		
Result (A+B)	**180087747**	**10272**	**99.9943**	**0.0057**

3. Approval for Special resolution to amend the Capital clause (Article 3) of the Articles of Association:

Promoter /Public	Number of Votes in favour	Number of Votes against	% of Votes in favour on votes polled	% of Votes against on votes polled
E-voting				
Promoter and Promoter Group	64062176	0	100.0000	0.0000
Public Institutional Holders	88818397	0	100.0000	0.0000
Public-Others	1896397	9791	99.4864	0.5136
Total(A)	**154776970**	**9791**		
Postal Ballot				
Promoter and Promoter Group	24050476	0	100.0000	0.0000
Public Institutional Holders	1075306	0	100.0000	0.0000
Public-Others	185090	497	99.7322	0.2678
Total(B)	**25310872**	**497**		
Result (A+B)	**180087842**	**10288**	**99.9943**	**0.0057**

(b) Court Convened Meeting of the equity shareholders:

In terms of the Order dated 09th May, 2014 of the Hon'ble High Court of Judicature at Bombay, a Court Convened meeting of the equity shareholders of the Company was held on 20th June 2014 at 4.00 p.m at Y B Chavan Auditorium, General Jagannath Bhosle Marg, Nariman Point, Mumbai - 400 021, Maharashtra, India, for obtaining the requisite approval of the shareholders for the Scheme of Amalgamation under Sections 391-394 of the Companies Act, 1956, between Mahindra Engineering Services Limited ("MESL") with the Company and their respective shareholders and creditors.

The details of voting pattern in court convened meeting is given below:

1. Approval of the Scheme of Amalgamation at the Court convened Meeting:

Promoter /Public	Number of Votes in favour	Number of Votes Against	% of Votes in favour on Votes polled	% of Votes Against on Votes polled
Promoter and Promoter Group	84736978	0	100.00	0.00
Public Institutional Holders	39821856	19435306	67.20	32.80
Public-Others	1095822	27182	97.58	2.42
Total(A)	**125654656**	**19462488**	**86.59**	**13.41**

2. Approval for the application and reduction of the Securities Premium:

Promoter /Public	Number of Votes in favour	Number of Votes Against	% of Votes in favour on Votes polled	% of Votes Against on Votes polled
Promoter and Promoter Group	84736978	0	0.00	0.00
Public Institutional Holders	39908448	19348714	67.35	32.65
Public-Others	1095822	27182	97.58	2.42
Total(B)	**125741248**	**19375896**	**86.65**	**13.35**

V. DISCLOSURES:

i. There have been no materially significant related party transactions that may have potential conflict with the interests of company at large.

ii. During the last three years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets.

iii. The Company established Whistle Blower mechanism in compliance to Clause 49 II (F) and no personnel had been denied access to the audit committee under Whistle Blower Policy.

iv. The Company has complied with the mandatory requirements of Clause 49.

v. The Company has complied with the following non-mandatory requirements as prescribed in Annexure XIII to Clause 49 of the Listing Agreement with the Stock Exchanges:

a) During the year under review, there is one audit qualification in the Company's financial statements, the qualification flows from the erstwhile Satyam Computer Services Limited amalgamated with the company. The details are provided at note 26.3 to the Financial Statements.

b) The Company appointed separate persons to the post of Chairman and Managing Director & CEO.

VI. COMMUNICATION OF RESULTS:

- The website of the Company www.techmahindra.com acts as the primary source of information regarding the operations of the Company.

  The quarterly, half-yearly and annual results of the Company are published in leading newspapers in India which include Business Standard, Economic Times and Maharashtra Times. The results are also displayed on the Company's website www.techmahindra.com. Official Press Releases made by the Company from time to time are also displayed on the website. A Fact sheet providing a gist of the quarterly, half yearly and annual results of the Company is displayed on the Company's website. Further, the Financial Results, Press Releases and various compliance reports / information in accordance with the provisions of the Listing Agreement are made available on the websites of the Stock Exchanges i.e. on NSE's Electronic Application Processing System (NEAPS) and Listing. BSE India.com of the BSE.

- The Annual Report which includes inter alia, the Directors' report, Management Discussion and Analysis and the report on Corporate Governance is the another channel of communication to the Shareholders.

VII. GENERAL SHAREHOLDER INFORMATION:

1. Annual General Meeting:

Date	Tuesday, 28th July, 2015
Time	10.00 A.M.
Venue	Patkar Hall, 1, Nathibai Thackersey Road, Mumbai – 400 020, India.

2. Financial year: the financial year is 1st April to 31st March.

Financial Calendar:

Financial reporting for	**Tentative Board meeting schedule (subject to change)**
Quarter ending 30th June 2015	Second fortnight of July 2015
Half year ending 30th September 2015	First fortnight of November 2015
Quarter ending 31st December 2015	First fortnight of February 2016
Year ending 31st March 2016	Second fortnight of May 2016
Annual General Meeting for the year ending 31st March 2016	Second fortnight of July 2016

3. Book Closure / Record Date:

25th July, 2015 to 28th July, 2015 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend.

4. Date of Dividend payment:

Date of payment of Dividend if declared would be on or before 14th August, 2015.

5. **Listing on Stock Exchanges:**

The Company's equity shares are listed on The National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE). Listing Fee for Financial Year 2015-16 has been paid to NSE and BSE where the shares of the Company are listed.

6. **Stock Code:**

National Stock Exchange of India Limited - TECHM

Bombay Stock Exchange Limited - 532755

Tech Mahindra has been included in CNX NIFTY Index by the National Stock Exchange of India Limited effective March 28, 2014.

7. **Demat International Securities identification Number (ISIN) in NSDL and CDSL for equity shares:**

INE669C01036

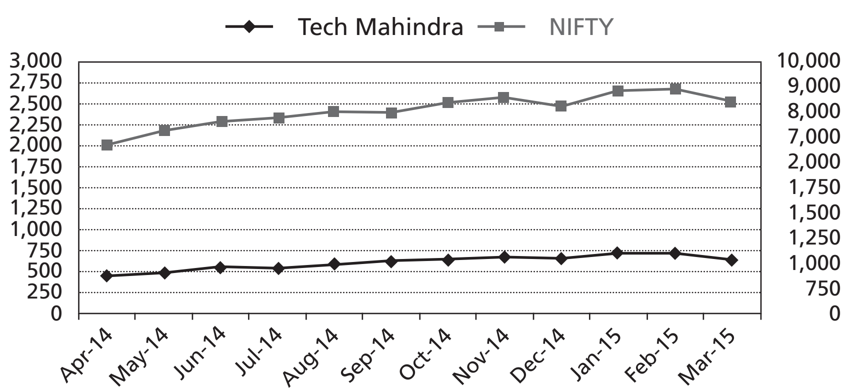
8. **Market Price Data:** High, Low during each month in last financial year is given below:

Month	NSE		BSE	
	High	Low	High	Low
Apr-14	1,859.00	1,676.35	1,860.00	1,677.65
May-14	1,939.00	1,726.65	1,935.00	1,728.00
Jun-14	2,161.70	1,868.10	2,158.80	1,869.00
Jul-14	2,198.50	2,000.00	2,198.05	2,001.00
Aug-14	2,377.50	2,030.15	2,372.90	2,026.55
Sep-14	2,530.00	2,345.05	2,529.70	2,350.00
Oct-14	2,543.50	2,166.00	2,541.90	2,167.25
Nov-14	2,734.00	2,513.30	2,741.00	2,511.00
Dec-14	2,705.00	2,461.40	2,705.00	2,461.10
Jan-15	2,991.50	2,513.20	2,990.10	2,513.70
Feb-15	2,995.10	2,740.00	2,998.00	2,740.15
Mar-15	2,943.75	618.65*	2,944.90	618.50*

* Adjusted for subdivision and bonus issue in the ratio of 2:1 and 1:1 respectively.

9. **Performance in comparison to broad-based indices such as NSE (NIFTY), BSE Sensex index etc.:**

The performance of the Company's shares relative to the NSE (NIFTY) Index is given in the chart below:



Note: The share prices for the period April 01, 2014 to March 19, 2015 were adjusted for the sub-division of shares and Issue of Bonus Shares in the ratio of 2:1 and 1:1 respectively.

10. Registrar and Transfer Agents:

Share transfer, dividend payment and all other investor related matters are attended to and processed by our Registrar and Transfer Agents, i.e. Link Intime India Private Limited having their office at

Link Intime India Private Limited
Block No. 202, 2nd Floor,
Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road,
Pune - 411 001, Maharashtra, India.

Tel No. +91 20 2616 0084, 2616 1629 Fax: +91 20 2616 3503

Contact Person: Mr. Bhagavant Sawant

Email address: bhagavant.sawant@linkintime.co.in

11. Share Transfer System:

The Company's shares are covered under the compulsory dematerialization list and are transferable through the depository system. Shares sent for transfer in physical form are registered and returned within a period of fifteen days from the date of receipt of the documents, provided the documents are valid and complete in all respects.

12. Distribution of shareholding as on 31st March, 2015:

No. of Equity Shares held	Shareholders		Equity shares held	
	No. of Shareholders	% to Total	No. of shares	% to Total
1-500	450816	93.00	37904979	3.94
501-1000	17878	3.69	13441611	1.40
1001-2000	8115	1.67	11742646	1.22
2001-3000	2403	0.50	5933816	0.62
3001-4000	1330	0.27	4761808	0.50
4001-5000	771	0.16	3502552	0.36
5001-10000	1454	0.30	10350395	1.08
10001 & above	2009	0.41	873151105	90.88
Total	**484776**	**100.00**	**960788912**	**100.00**

13. Shareholding pattern as on 31st March, 2015:

Category	No. of shares held	% to Total
Promoters Holdings	352693512	36.71
Public Share Holding:		
Mutual Funds	62215958	6.48
Banks, Financial Institutions & others	2223083	0.23
Foreign Institutional Investors	334747423	34.84
Bodies Corporate	22300191	2.32
NRI/Foreign Nationals	9149436	0.95
Indian Public & others	177459309	18.47
Total	**960788912**	**100.00**

14. Dematerialization of shares and liquidity:

99.73% of the total equity share capital of the Company is held in a dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited as on 31st March, 2015. The market lot is one share as the trading in equity shares of the Company is permitted only in dematerialized form. The stock is highly liquid. The face value of share is ₹ 5/- per share post split of shares on 21st March, 2015.

15. Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity:

As on 31st March 2015, the Company did not have any outstanding GDRs/ADRs/Warrants or any Convertible instruments (excluding ESOPs).

16. Plant Locations:

The Company being in software business, does not require manufacturing plant and has software development centers in India and abroad. The addresses of the global development centers/ offices of the Company are given elsewhere in the annual report.

17. Address for correspondence:

Shareholders may correspond with -

i. Registrar & Transfer Agents for all matters relating to transfer / dematerialization of shares, payment of dividend, demat credits, etc. at :

Link Intime India Private Limited
Block No. 202, 2nd Floor, Akshay Complex,
Near Ganesh Temple, Off Dhole Patil Road,
Pune - 411 001, Maharashtra, India.

Tel No. +91 20 2616 0084, 2616 1629
Fax: +91 20 2616 3503

Contact Person: Mr. Bhagavant Sawant
Email address: bhagavant.sawant@linkintime.co.in

ii. Respective Depository Participants (DPs) for shares held in demat mode. Shareholders are requested to take note that all queries in connection with change in their residential address, bank account details, etc. are to be sent to their respective DPs.

iii. For all investor related matters:

Mr. G. Jayaraman
Company Secretary
Tech Mahindra Limited
2nd Floor, Corporate Block,
Rajiv Gandhi Infotech Park,
Phase III, Pune – 411 057, Maharashtra, India.

Tel No. +91 20 4225 0000
Tel No. +91 20 6601 8100

Email address: investor.relations@techmahindra.com

18. Details of shares held in Demat Suspense Account:

The disclosure under Clause 5A of the Listing Agreement is as under:

Sl. No.	Particulars	(in Numbers)
(i)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	502 Shareholders 84,443 Shares
(ii)	Number of shareholders who approached Company for transfer of shares from suspense account during the year	2 shareholders 175 shares
(iii)	Number of shareholders to whom shares were transferred from suspense account during the year	2 shareholders 175 shares
(iv)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	500 Shareholders 84,268 shares of ₹10/- each

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

19. Transfer of Unclaimed Dividend to IEPF:

Pursuant to Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, dividends that are unclaimed for a period of seven years, are statutorily required to be transferred to Investor Education and Protection Fund (IEPF) administered by the Central Government, and thereafter, cannot be claimed by the investors.

No claim shall lie against the said Fund or the Company for unpaid dividends transferred to the Fund nor shall any payment be made in respect of such claim. Members, who have not yet encashed their dividend warrant(s), are requested to make their claims without any delay to the Company's Registrar and Transfer Agent, i.e. Link Intime India Private Limited. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 1st August, 2014 (date of last Annual General Meeting) on the website of the Company (www.techmahindra.com), as also on the website of the Ministry of Corporate Affairs.

Calendar for transfer of unclaimed dividend to IEPF:

Financial Year	Type of Dividend	Date of Declaration	Due for transfer to IEPF
2007-2008	Final Dividend	22nd July, 2008	August, 2015
2007-2008 *	Final Dividend	26th August, 2008	October, 2015
2008-2009 *	Interim Dividend	17th October, 2008	November, 2015
2008-2009	Interim Dividend	21st October, 2008	November, 2015
2009-2010	Final Dividend	26th July, 2010	September, 2017
2010-2011	Final Dividend	12th August, 2011	September, 2018
2011-2012	Final Dividend	10th August, 2012	September, 2019
2012-2013	Final Dividend	26th September, 2013	November, 2020
2013-2014	Final Dividend	01st August, 2014	September, 2021

* Unpaid dividend declared by the erstwhile Satyam Computer Services Ltd.

20. The Annual Report will be sent through e-mail to all those Shareholders who have registered their e-mail id with the company and the Depository Participants. Those members who have not registered their e-mail id, the Annual Report will be sent in physical form and these members are requested to register their e-mail id's with the Company's Registrar & Transfer Agent i.e. Link Intime India Private Limited or with their DPs.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

As required by Clause 49 II (E) (2) of the Listing Agreement, this is to confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management of the Company. The Code is available on the Company's website.

I confirm that the Company has in respect of the financial year ended 31st March, 2015, received from the senior management team of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For Tech Mahindra Limited

Place : Mumbai
Date : May 26, 2015

Mr. C. P. Gurnani
Managing Director

CERTIFICATE

To the Members of Tech Mahindra Limited

We have examined the compliance of conditions of Corporate Governance by Tech Mahindra Limited ("the Company") for the year ended on 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. B. Jani
Partner
(Membership No. 46488)

Place: Mumbai
Date : May 26, 2015

MANAGEMENT DISCUSSION AND ANALYSIS

Company Overview

Tech Mahindra Limited (Tech Mahindra) is a specialist in digital transformation, consulting and business re-engineering solutions and part of the US$16.9 billion Mahindra Group. Tech Mahindra represents the connected world; offering innovative and customer-centric information technology (IT) services and solutions, enabling Enterprises, Associates and the Society to Rise™. It's a US$ 3.7 billion company with 103,200+ professionals across 90 countries, delivering value to over 767 global customers including Fortune 500 companies.

Tech Mahindra's revenue was at ₹ 22,621 crore (US$ 3,686 million) for the financial year ended 31st March 2015, registering a growth of 20.1% on YoY basis. The Company's Profit after Tax (PAT) was at ₹ 2,628 crore (US$ 427 million) for FY 2014-15.

Tech Mahindra offers a full range of IT services and industry specific solutions to help clients take advantage of opportunities in spaces of Consulting, Enterprise and Communication solutions, Digital Technologies, Networks, Platforms and reusable assets that connect across many technologies to derive tangible business value. In its eventful journey spanning over almost three decades, Tech Mahindra has transformed itself from being a 'Communications-focused' to a 'business-centric' IT powerhouse. Today, Tech Mahindra is ranked amongst the Top 5 India registered IT service providers and partners with several Fortune 500 companies to deliver outstanding solutions across industries. Tech Mahindra is also amongst the Fab 50 companies in Asia as per the Forbes 2014 list.

The company offers a bouquet of services which includes Communications Services, Consulting, Application Outsourcing, Network Services, Infrastructure Outsourcing, Engineering Services, BPO, Platform Solutions and Mobile Value Added Services.

Tech Mahindra has Principal offices in India, United States of America, United Kingdom, Germany, Canada, Australia, Singapore, Malaysia, Philippines, Brazil etc. The Company has an extensive global foot print with 49 sales offices and 85 delivery centres in 90 countries around the world. It has 767 active client engagements.

Tech Mahindra is a public limited Company, incorporated and domiciled in India and has its registered office in Mumbai, Maharashtra, India. It has primary listings on the National Stock Exchange of India Limited (NSE) and the BSE Limited.

Industry Structure & Development

Disruptive technologies, expanding competition and rapidly changing customer requirements have impacted the IT-BPM sector immensely. Erratic movements in global commodity prices, inflation, unemployment, digitization, currency movements, changing customer experience and expectations is changing the face of this industry. It provides both opportunities and challenges for the global technology industry.

As per the NASSCOM Strategic Report 2015, the worldwide IT-BPM spend was at US$ 2.3 trillion, growing at 4.6% over 2013. Global sourcing of services grew by 10%. APAC recorded the highest growth of 5.1%, driven by faster growth in BPM services. While BFSI and Manufacturing continued to gain momentum, emerging verticals like healthcare, communications and media, retail, government and utilities were key growth drivers for the IT industry in 2014. India continued to hold on to its leadership position with ~55% market share in global IT sourcing services.

The Indian IT-BPM industry continued its growth path embracing global and local volatilities. Its ability to evolve over time is one of the key reasons for India's leadership in the IT-BPM industry. Overall the Industry revenues (exports + domestic) for FY 2015 are expected to cross ~US$ 146 billion, a growth of 13% in constant currency terms over the previous year as per NASSCOM. Exports with ~67% share in revenues are expected to touch ~US$ 100 billion, a growth of 13.1% in constant currency. The Indian IT industry is expected to contribute ~9.5% to India's National Gross Domestic Product (GDP). The Central Government's focus on 'Make in India' and 'Digital India' has boosted the demand for the domestic IT industry. eCommerce, SMAC and IoT have also pushed growth for this sector. The government expects investments in digitization and infrastructure improvement and implementing technology in healthcare, manufacturing and agricultural sectors is an opportunity of ~ US$ 6 billion to the IT services sector. IT-BPM Industry has added ~230,000 employees in FY 2015 while the industry employs ~ 3.5 million and is India's largest private sector employer directly and ~10 million indirectly. It is also playing a key role in promoting diversity within the industry by employing ~34% women. The industry has taken lead in adapting to newer environments over the decades and is now focusing on digitally transforming customers' business.

The industry has been expanding its service offerings constantly and adding capabilities, evolving business models and providing high customer satisfaction. Indian remains an excellent business delivery model for the IT-BPM industry and has become the epicentre of the global technology industry. It has been growing in size, scale, maturity and domain expertise serving global customers.

The impact of disruptive trends such as cloud computing, mobility and analytics have transformed the IT services industry. The adoption of the latest technology trends is focused on changing the delivery methodology of software applications and therefore converge with traditional IT services markets. Implementing new technologies in business solutions has become imperative for all service providers. The future of the Indian IT services sector will largely be impacted by the digital initiatives of the service providers and requirements of the customers. Indian service providers through a combination of constant innovation, maintaining quality of services, moving up the value chain and balancing the digital wave of services with traditional services is expected to grow at the rate of ~13% in FY 2016 too. India remains a high potential market worldwide, offering multiple opportunities for unmet needs. Considering the surge in mobile subscriptions, internet users and eCommerce markets, India is set to leapfrog into the digital world.

The last year can be characterized as the year of rapid transition and transformation leading the industry to expanding into newer verticals and geographies, attracting new customers and transforming companies from being technology partners to strategic business partners.

Outlook

The future of the global technology industry will be shaped by economic forces especially in the advanced countries. As per the IMF global growth remains moderate, with uneven prospects across the main countries and regions. It is projected to be 3.5% in 2015 versus 3.4% growth of 2014. Relative to last year, the outlook for advanced economies is improving, while growth in emerging market and developing economies is projected to be lower, primarily reflecting weaker prospects for some large emerging market economies and oil-exporting countries. Factors like lower oil prices, exchange rate swings, and country/region specific factors have affected the global activity in 2014 and are still shaping the outlook. US is projected to grow ~3% in 2015 with domestic demand supported by lower oil prices and an accommodative monetary policy. Growth in eurozone is showing signs of pick up, supported by lower oil prices, lower interest rates and weaker euro. Emerging markets may have a sub duded growth rate largely due to a sharp drop in oil prices and lower prospects from larger emerging markets and the growth rate may drop to ~4% as projected by IMF. Despite this slowdown, emerging markets are still accounted for three fourth of the global growth on 2014. Overall growth is projected to reach 3.5% to 3.8% in 2015 and 2016.

As the global economy improves and consumer confidence increases, investing in new technologies, cloud computing, mobility and analytics, and innovation will provide tremendous opportunities. As per NASSCOM, the Indian IT-BPM industry is expected to reach digital revenues of US$ 300 billion by 2020. This opportunity accounts for 12 -14% of the industry revenues. By FY 2016, NASSCOM expects the industry to add revenues of US$ 20 billion to the existing revenues of US$ 146 billion. Export revenues are projected to grow by 12-14% and reach US$ 110-112 billion. Domestic revenues are expected to grow at a rate of 15 -17% and is expected to reach US$ 55-57 billion during the year.

According to Gartner, one of the world's leading information technology research and advisory companies, worldwide IT spending is set to shrink to US$ 3.66 trillion in 2015, a 1.3% decrease from 2014 mainly due to the rising dollar. It expects spending on data centre systems, enterprise software markets and telecom services to increase as compared to 2014. IT services is projected to contract slightly. The Gartner Worldwide IT Spending Forecast is the leading indicator of major technology trends across the hardware, software, IT services and telecom markets.

Opportunities and Risks

India has continued to retain its first mover advantage and maintained its leadership position. It remains a high potential market worldwide, offering multiple opportunities for unmet needs. With the second largest population in the world, India also presents a large end user market. It continues to remain an excellent delivery centre for the IT-BPM industry. Currency movements and increased operational efficiency have ensured that India's position as the most cost competitive market has only become stronger over the past years. It has established a global delivery chain of ~ 640 ODCs across 78 countries. The variety and scale of offer in India allows multiple collaborative models to exist. The Indian technology industry is today a global 'digital skill hub'. India has ~ 7,000 digital focused firms with start-ups investing in futuristic technologies. All this together reinforces India's leadership position in the global sourcing market.

Tech Mahindra sees opportunities of growth on the back of reviving global economies, better offshore IT spends in most industry verticals, on-going renewals cycles of IT Services spends and adoption of Digital enterprises (SMAC) being the new imperative across industries. The demand for "value for money" services, positive outlook on discretionary spends, acceptance of new business models and platforms, a stronger balance-sheet size post-merger, cross selling opportunities to a wider client base and availability of qualified and skilled workforce etc. also augur well for Tech Mahindra.

The other technological key growth driver that is expected to open new opportunities for Tech Mahindra is the Network Services space. TechM has been investing systematically in growing its Network Services Business in the past few years. Through these investments, Tech Mahindra has built a robust portfolio that addresses the engineering functions on the networks side. As a part of its vision, Tech Mahindra believes it can play a key role in helping the Communications Service Providers on their priority agenda of Customer experience Management, Opex reductions and technology introductions. As customers look at the future of their Managed Services Operations across both IT and Networks, Tech Mahindra believes they will increasingly look at having a common partner for both the IT and Networks Managed Services Provider. With the acquisition of Lightbridge Communications Corporation (LCC) in FY 2015, Tech Mahindra will be able to play a strong role in helping drive this change in the market for the benefit of its Communications and Enterprise customers.

Risks

Some of Tech Mahindra's key risks and their corresponding mitigation strategy have been highlighted below

Key Risk	Impact of risk	Mitigation / strategy
High concentration in Communication Vertical	For the Financial year 2014-15 (FY15); Communication Vertical had a revenue share of 52% of the total business (after LCC acquisition). This is much higher when compared to leading Indian and global IT peers of Tech Mahindra. Also historically IT services spends in Communications industry have been cyclical, resulting in periods of prolonged tepid spends. Post the global financial crisis in year 2009, the IT spends cycle for the global Communications industry have been on the tepid side increasing the risk of growth for ~50% business going ahead.	Tech Mahindra has Communications in its DNA since its formation as a JV with British Telecom in year 1986. The Company until FY 2013 (ie before the merger of Mahindra Satyam) had almost 100% revenue from Communications vertical. The Merger of Mahindra Satyam with Tech Mahindra in June 2013 has helped Tech Mahindra (the merged entity) diversify and halve its Communication vertical revenue exposure. The high concentration of Communication vertical reflects the Company's confidence, scale and leadership in this Vertical. While IT spends have been muted in the Global Communications space, Tech Mahindra has been able to grow ahead of its peers in the Communication space. Tech Mahindra is one of the few Global IT companies which has a complete end-to-end span of services in the Communications space and the company has been able to leverage its expertise and unique positioning in the Communications Vertical helping it grow faster. The Company today, works with almost all the major Global Communications Companies. Tech Mahindra's entry into the US$ 40 billion Network Services market, (consolidated further by the acquisition of LCC) opens up a completely new and untapped market with huge growth opportunities.
Global economy risk	Tech Mahindra's export revenues are over 95% and it derives 47.5% revenue from US, 30.7% from Europe and 21.8% from the Rest of World. The Economic growth activity in these nations could directly or indirectly impact Tech Mahindra customers' IT spends. A slowdown in these economies would pose lower growth or deferred IT spends thus impacting growth for Tech Mahindra.	Tech Mahindra has been operating in Volatile business environment for almost three decades and its business model has evolved to deal with changes in the business and IT spend outlook of its Clients. Global clients prefer Offshoring and India as a preferred destination for offshoring because of its compelling value proposition across people and technology. Tech Mahindra's Communications business has been growing while the IT services' spends in vertical has been flat or negative over the past few years. However severe adverse Global Economic activities risks can impact any company including Tech Mahindra and remains business risk akin to any services business.

Key Risk	Impact of risk	Mitigation / strategy
Regulatory changes risk	The Company has operations in over 90 countries and its employees work onsite at client facilities and locations on visas granted for extended or short term work. Any changes in immigration laws or any local regulations can impact the profitability and growth.	Tech Mahindra has been in the software services business for almost three decades and has been complying with the local regulations. The Company has adequate and well defined business contingency plans to deal with the changing regulatory environment. The Company has delivery centres in overseas geographies including USA and has been hiring local employees. Tech Mahindra has been engaging with its clients on a regular basis to discuss and deal with any critical regulatory which might have an impact on its business.
M&A and Integration Risk	The Company has a focused M&A strategy. The Company has acquired over seven companies in the past 3 years. M&A's and its integrations by nature involve risks relating to failure to achieve strategic objectives, financial loss, cultural and financial integration etc.	Acquisitions and M&A's have not been new to the Company. The company has well laid out and well defined plans and acquisition policy. It uses M&A to fill up gaps in its portfolio of competency/services, verticals and client/geography access. Tech Mahindra has a dedicated and professional M&A team led by the executive Leadership. The Company undertakes extensive due diligence and deals are evaluated by the board. Management's experience with all the acquisitions done until now has been quite satisfactory and in-line with its expectations.
Competition risk	The global IT services industry is highly competitive with competition arising from Indian IT companies and MNC IT services Companies having sizable presence in low cost geographies, deep pockets, strong client relationships, In house and Captive services companies etc. The stiff competition can lead to pressure on pricing, vendor consolidation and hence can impact company growth and profitability.	IT services companies including Tech Mahindra have been operating under competitive environment for several years. Tech Mahindra has not only been able to become competitive from a multiple services and competency perspective but has also been able to move up in the IT services value chain. The Company has deep domain knowledge, skilled workforce, delivery capabilities and efficient sales force and relationship managers to help retain its competitive positioning amongst peers.

Key Risk	Impact of risk	Mitigation / strategy
Technology Risk	Digitalization is emerging as a disruptive force for customers, buyers and technology. This disruption coupled with changes in delivery models and consumer spending patterns could be a threat to the growth in traditional IT spends and technology obsolescence.	Tech Mahindra has been a specialist provider of connected solutions and has been investing in competencies required for a Digital enterprise. It has identified five technology areas of focus as part of its vision. The Digital Services portfolio of Tech Mahindra is called NMACSSS – Network, Mobility, Analytics, Cloud, Security, Social Media and Sensors. NMACSSS is an integrated technology strategy to enable business transformation for Tech Mahindra customers. The Company invests in centres of excellence and provides ample opportunities to its employees through internal and external training on technology and domain skill upgrades.
Employee related / Supply Side risks	IT being a manpower driven services industry will be associated with supply side risks on availability of talented pool of people, domain and technology experts. Also attracting talented people and attrition remains a risk.	The Company has a strong in-house and external Training curriculum abreast with the latest technology and soft skills. The company has been engaging with employees across locations and levels though various employee friendly initiatives. Has been diversifying its fresher talent pools by recruiting science graduates, diploma holders and certified skilled undergrads, while increasing hiring of local people in onsite locations. Tech Mahindra has a comparable remuneration structure, matured HR process and various employee friendly incentives. The Company provides opportunity to all its employees and runs various programmes for employee enhancement and growth like the Global Leadership Cadre (GLC), young CEO program, shadow board etc.
Currency risks	The exchange rate of Tech Mahindra's major billing currencies like the GBP, USD, Euro and AUD have fluctuated widely in the recent past and may continue to fluctuate significantly in the future thus resulting in wide fluctuation in not only revenues but also forex losses and gains. Adverse currency impact could also lead to impact on Company's profitability being hit.	Tech Mahindra has a well established hedging policy which has been followed consistently over the past years. Hedging is undertaken to protect the company from unfavourable currency movements & the company does not undertake any speculative hedging. More than half of its revenue is contributed by its onsite activities & a substantial portion of overall cost is incurred onsite which provides as a natural hedge. The Company has a dedicated Treasury department which seeks advice from Expert professionals and banks helping it in its hedging decisions.

Discussion on Financial Performance with respect to Operational Performance

Overview

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India.

The Consolidated financial statements have been prepared in compliance with the Accounting Standard AS 21 and AS 23 issued by the Institute of Chartered Accountants of India (ICAI).

The discussion on financial performance in the Management Discussion and Analysis relate primarily to the standalone accounts of Tech Mahindra Limited. Wherever it is appropriate, information pertaining to consolidated accounts for Tech Mahindra Limited & its subsidiaries is provided for the current year and previous year. For the purpose of comparison with other firms in this industry as well as to see the positioning and impact that Tech Mahindra Limited has in the marketplace, it is essential to take the figures as reflected in the Consolidated Financial Statements.

A. STANDALONE FINANCIAL POSITION

1. Share Capital

The authorized share capital of the Company is ₹ 6,341 Million, divided into 1,268,200,000 equity shares of ₹ 5 each. The paid up share capital stood at ₹ 4,804 Million as on 31st March 2015 compared to ₹ 2,335 Million as on 31st March 2014. The increase in paid up capital during the year is due to issue of 4,259,011 shares on account of amalgamation (₹ 43 Million) to Mahindra Engineering Services Limited; issue of 240,161,577 shares as bonus shares by capitalisation of free reserves, in the ratio of one equity share (bonus share) for every 1 equity share held (₹ 2,402 Million); conversion on account of sub-division of 480,323,154 shares and issue of 2,572,284 shares on account of conversion of options into shares (₹ 24 Million) by employees under an Employee Stock Option Plan.

2. Reserves and Surplus

a) Securities premium account

The addition to the securities premium account of ₹ 1,388 Million during the year is due to the amalgamation (₹ 474 Million) and the premium received on issue of 2,572,284 equity shares on exercise of option under stock option plan.

b) General reserve

General reserve stood at ₹ 10,142 Million as on 31st March 2015 as compared to ₹ 12,353 Million as on 31st March 2014. The net reduction of ₹ 2,211 Million to General Reserve is due to addition of ₹ 190 Million on account of amalgamation and reduction of ₹ 2,402 Million utilized for issue of bonus shares.

c) Surplus in Statement of Profit and loss

The surplus in the Statement of Profit and Loss as of 31st March 2015 was ₹ 63,559 Million compared to ₹ 43,856 Million as of 31st March 2014.

3. Borrowings

Borrowings as on 31st March 2015 stood at ₹ 52 Million (short term borrowings) compared to ₹ 3,092 Million including ₹ 50 Million of long term borrowings and ₹ 3,042 Million short term borrowings as on 31st March 2014.

4. **Fixed Assets**

The movement in Fixed Assets is shown in the table below

₹ **Million**

Particulars	As of 31st March	
	2015	**2014**
Gross Book Value		
Land - free-hold	780	787
- lease-hold	1,791	1,152
Buildings	14,222	13,507
Leasehold Improvements	1,093	1,035
Plant & Equipments - Leased	167	167
Plant and machinery	10,932	10,188
Computer equipments	10,188	7,936
Office Equipments	1,170	976
Furniture and fixtures	4,903	4,644
Vehicles - Leased	141	154
Vehicles - Owned	253	217
Intangible assets	2,812	1,700
Total	**48,452**	**42,463**
Less: Accumulated depreciation & amortization	28,642	24,127
Net block	**19,810**	**18,336**
Add: Capital work-in-progress	5,511	2,640
Net fixed assets	**25,321**	**20,976**

The Net Block of Fixed Assets and Capital Work in Progress stood at ₹ 25,321 Million as on 31st March 2015, as against ₹ 20,976 Million as on 31st March 2014. During the year, the Company incurred capital expenditure (gross) of ₹ 6,512 Million (previous year ₹ 7,108 Million). The major items of Capital Expenditure included Office building, Plant and Machinery, Computer equipment & Software.

5. **Investments**

The summary of Company's investments is given below

₹ **Million**

Investments	As at 31st March	
	2015	**2014**
Investment in Subsidiaries	29,668	17,464
Investment (others)	13,258	12,562
Total Investments	**42,926**	**30,026**
Less : Provision for diminution of value	6,617	7,086
Net Investments	**36,309**	**22,940**

The Net investments as on 31st March 2015 stood at ₹ 36,309 Million, as against ₹ 22,940 Million as on 31st March 2014. During the year, Investment in Subsidiaries increased to ₹ 29,668 Million as on 31st March 2015 as against ₹ 17,464 Million as on 31st March 2014 due to acquisition of Lightbridge Communications Corporation and SOFGEN and amalgamation of Mahindra Engineering Services Ltd. with Tech Mahindra Limited during the current financial year. Other investments increased to ₹ 13,258 Million as on 31st March 2015 as against ₹ 12,562 Million as on 31st March 2014.

Other investment includes interest in TML benefit trust and treasury bonds and bills.

I. **Investment in Subsidiaries**

The Company had investment in the following major subsidiaries:

Tech Mahindra (Americas) Inc. (TMAI)

TMAI was incorporated in November 1993 to provide marketing support services for the USA and Canada region. It acts as a service provider for sales, marketing, onsite software development and other related services.

During the quarter ended March 31, 2015, Tech Mahindra (Americas) Inc. (100% subsidiary of Tech Mahindra Limited) acquired 30% stake for USD 3 Million in Avion Networks Inc. Tech Mahindra (Americas) Inc. has been issued 600,000 shares of the Series A Preferred Stock (par value $0.001 per share) for a total consideration of USD 3 Million, paid upfront and USD 3 Million payable in calendar year 2016 on achievement of mutually agreed milestones.

Tech Mahindra GmbH

Tech Mahindra GmbH was established in July 2001 to provide marketing support in the central Europe region. During the FY 2014-15, Company has incorporated TechM IT - Services GmbH, 100% subsidiary Company in Austria on 8th August, 2014, with an initial share capital of Euro 5,000 and the parent Company has invested Euros 25,000 for acquiring 100% shareholding in BASF IT Services Consult GmbH, Germany later on name changed to Tech Mahindra Business Services GmbH. The parent Company further invested Euro 1,000 to increase the capital of the Company, in connection with the merger of the Branch Office.

During the current financial year, Company had made investment in the following major subsidiaries:

MESL

Pursuant to the Scheme of Amalgamation and Arrangement (the "Scheme") sanctioned by the Honourable High Court of Bombay vide its order dated 31st October, 2014, Mahindra Engineering Services Limited ("MESL"), merged with the Company with effect from 1st April, 2013 (the "appointed date"). The Scheme came into effect on 8th December, 2014, the day on which the order was delivered to the Registrar of the Companies, and pursuant thereto the entire business and all the assets and liabilities, duties, taxes and obligations of MESL have been transferred to and vested in the Company with effect from 1st April, 2013.

BASF

Tech Mahindra GmbH (100 % subsidiary of Tech Mahindra Limited) entered into a share and asset purchase agreement dated 26th February, 2014 for acquiring 100 % stake in the equity of BASF Business Services holding GmbH (BASF) for a consideration not exceeding Euro 10 Million (₹ 822 Million) subject to achievement of certain conditions and regulatory approvals. Post the achievement of certain conditions, the amount of Euro 8.18 Million (₹ 660 Million) was remitted on 29th July, 2014 and on the same date, the shares were transferred in name of Tech Mahindra GmbH and its nominees were appointed to BASF's Board of Directors. Accordingly, effective, 29th July, 2014 BASF became a wholly owned subsidiary of Tech Mahindra GmbH. Subsequently, BASFs name was changed in August 2014 to Tech Mahindra Business Services GmbH.

FixStream

This Company was incorporated on 09th April, 2013. Effective, 30th April, 2014 TML has acquired 75% stake in FixStream, balance 25% is held by the individuals (previous promoters of the Company)

LCC

Tech Mahindra (Americas) Inc. has w.e.f 02nd January, 2015 acquired 100% Stake in Lightbridge Communications Corporation (LCC) based in USA, along with all its subsidiaries (including Leadcom and its subsidiaries which were acquired by LCC w.e.f 30th June, 2014). The consideration of USD 170 Million (₹ 10,773 Million) has been paid to the erstwhile promoters of LCC on 06th February, 2015. LCC provides end to end solutions in wireless voice and data communications network.

SOFGEN

The Company, pursuant to share purchase agreement dated 8th January, 2015, has acquired 100% stake (comprising of 1,065,848 Ordinary Shares of Euro 1 each and 27,062 Class A shares of Euro 1 each) in Sofgen Holdings Limited (Sofgen) on March 13, 2015 for a consideration upto USD 24.25 Million, out of which USD 14.25 Million (₹ 895 Million) paid upfront and the balance amount of USD 10 Million being contingent on achieving agreed performance based milestones over a period of two years ending December 31, 2015 (USD 6 Million) and December 31, 2016 (USD 4 Million). Sofgen is into a niche consulting and services specializing in private, wealth, commercial and retail banking solutions. Tech Mahindra Limited has incurred expenditure of ₹ 24 Million on acquisition of shares in Sofgen and the same has been added to the cost of investment.

Tech Mahindra DRC SARLU

During the year under review, the exiting branch office of the Company situated in the Democratic Republic of Congo (DRC) has been converted into a wholly owned subsidiary company with effect from 30th March 2015 as per the requirements of the Organization for harmonization of the African state of affairs (OHADA) uniform Act in Africa region. The Company will continue to operate as a service provider for sales, marketing, onsite software development and other Information Technology related services.

Complex IT Solutions Consultoria EM Informatica S.A.

Tech Mahindra Servicos De Informatica LTDA (100% subsidiary of the company) which held 51% stake in Complex IT Services Consultoria EM Informatica LTDA ("Complex IT Services") has acquired balance stake of 49% in Complex IT Services for a consideration of BRL 21.40 million (₹ 415 million) out of which BRL 0.40 million paid upfront, BRL 8 million and 13 million payable on 31st December, 2015 and 2016 respectively. As at 31st March, 2015, Complex IT Services has become a 100% subsidiary of Tech Mahindra Servicos De Informatica LTDA.

II. Investment in liquid mutual funds

Investment in liquid mutual funds as at 31st March 2015 was ₹ 4,568 Million (previous year NIL).

6. Deferred Tax Asset

Deferred tax asset as at 31st March 2015 was at ₹ 2,880 Million as compared to ₹ 3,109 Million as of 31st March 2014. Deferred tax assets represent timing differences in the financial and tax books arising from depreciation of assets, provision for debtors and leave encashment & gratuity. The Company assesses the likelihood that the deferred tax asset will be recovered from future taxable income before carrying it as an asset.

7. Sundry Debtors

Sundry debtors increased to ₹ 42,408 Million (net of provision for doubtful debts of ₹ 3,170 Million) as of 31st March 2015 from ₹ 39,278 Million (net of provision for doubtful debts of ₹ 3,016 Million) as of 31st March 2014. Debtor days as of 31st March 2015 (calculated based on per-day sales in the last quarter) were 104 days as compared to 100 days as of 31st March 2014. Increase in debtor days is mainly due to impact of acquisition of LCC & Sofgen made during January 15 to March 15 quarter.

8. Cash and Bank Balance

The bank balances include both Rupee accounts and foreign currency accounts. The bank balances in overseas current accounts are maintained to meet the expenditure of the overseas branches and overseas project-related expenditure.

₹ Million

Particulars	As of 31st March	
	2015	**2014**
Bank balances in India & Overseas		
- Current accounts	10,517	15,374
- Deposit accounts	7,678	12,889
Total cash and bank balances*	18,195	28,263

* Including unrealised (gain) / loss on foreign currency.

9. Loans and Advances

Loans and advances as on 31st March 2015 were ₹ 28,217 Million compared to ₹ 22,886 Million as on 31st March 2014. Significant items of loans and advances include payments towards rent/ lease deposits, finance lease receivables, amounts deposited and held in escrow accounts for settlement consideration of Aberdeen, UK & US and class action on erstwhile Satyam Computer Services Ltd., Service Tax refund receivable and advance income tax.

10. Liabilities and Provisions

Liabilities and provisions were ₹ 45,248 Million as of 31st March 2015 including long term liabilities and provision of ₹ 3,293 million and short term / current liabilities and provisions of 41,955 million compared to ₹ 46,095 Million including long term liabilities and provision of ₹ 6,944 Million and short term / current liabilities and provisions of 39,151 Million as of 31st March 2014.

B. RESULTS OF OPERATIONS

The following table sets forth certain income statement items as well as these items as a percentage of our total income for the periods indicated:

Particulars	Fiscal Year 2015		Fiscal Year 2014	
	₹ (In Million)	% of Total Income	₹ (In Million)	% of Total Income
INCOME				
Revenue from Services	191,627		162,951	
Other Income	1,245		703	
Total Income	**192,872**	**100.00%**	**163,654**	**100.00%**
EXPENDITURE				
Personnel Cost	72,012	37.34%	69,715	42.60%
Subcontracting Expenses	64,182	33.28%	34,012	20.78%
Operating and Other Expenses	23,167	12.01%	23,611	14.43%
Depreciation	4,733	2.45%	4,270	2.61%
Interest	86	0.04%	868	0.53%
Total Expenditure	**164,180**	**85.12%**	**132,476**	**80.95%**
Profit before tax and exceptional items	**28,692**	**14.88%**	**31,178**	**19.05%**
Provision for Taxation	6,743		5,523	
Profit after taxation and before exceptional item	**21,949**	**11.38%**	**25,655**	**15.58%**
Exceptional items	613		1,200	
Net profit for the year	**22,562**	**11.70%**	**26,855**	**16.41%**

1. Revenue

The Company derives revenue principally from technology services provided to clients from various industries.

The revenue increased to ₹ 191,627 Million in fiscal year 2015 from ₹ 162,951 Million in fiscal year 2014, a growth of 17.6%. The increase in revenue is mainly due to increase in number of clients served during the respective years, increase in amount of business from these clients in addition to amalgamation of Mahindra Engineering Services Ltd. effective 1st April 2014.

Consolidated Revenue

Consolidated Revenue for fiscal year 2015 was ₹ 226,213 Million compared to ₹ 188,314 Million last fiscal year, a growth of 20.1%

Consolidated revenue by Geography

Revenue from the Americas was 47% in fiscal year 2015 compared to 45% in fiscal year 2014 while the share of revenue attributable to the Europe was 31% in fiscal year 2015 compared to 32% in the fiscal year 2014. Revenue from Rest of the World (including India) as a percentage of total revenue was 22% in fiscal year 2015 compared to 23% in fiscal year 2014.

Consolidated Revenue by Segment

For fiscal year 2015, 92% of revenue came from IT sector, whereas 8% of revenue came from BPO sector. The revenue share for fiscal year 2014 from IT & BPO sector was 90% & 10% respectively.

2. Other Income

Other income includes interest income, dividend income, foreign exchange gain/loss and sundry balances/provisions written back.

Interest income mainly consists of interest received on bank deposits. Dividend income includes dividend received on long term investments as well as that received on current investments. Exchange gain/loss consists of mark to market gain/loss on ineffective hedges, realized gain/loss and revaluation gain/loss on translation of foreign currency assets and liabilities. Other income was ₹ 1,245 Million in fiscal year 2015 compared to ₹ 703 Million in fiscal year 2014.

3. **Expenditure (Standalone)**

Particulars	Fiscal Year 2015		Fiscal Year 2014	
	₹ (In Million)	% of Total Income	₹ (In Million)	% of Total Income
Personnel Cost	72,012	37.34%	69,715	42.60%
Subcontracting Expenses	64,182	33.28%	34,012	20.78%
Operating and Other Expenses	23,167	12.01%	23,611	14.43%
Depreciation	4,733	2.45%	4,270	2.61%
Interest	86	0.04%	868	0.53%
Total Expenses	**164,180**	**85.12%**	**132,476**	**80.95%**

Personnel cost includes salaries, wages and bonus, allowances paid to associates deputed outside India, contribution to provident fund and other funds and staff welfare costs. The increase in personnel cost in absolute value, is mainly due to increase in headcount and annual increments. Subcontracting expenses include cost of direct contractors and agency contractors to support current and future business growth.

Operating and other expenses mainly include Travelling expenses, Rent, Repairs and Maintenance, Communication expenses, Office establishment costs, Software Packages and Professional fees. The reduction is due to various cost optimization measures undertaken during the year.

Increase in depreciation is mainly due to increase in investment in infrastructure and equipment to service our growing business.

The Company incurred interest expense of ₹ 86 Million in fiscal year 2015 as compared to ₹ 868 Million in fiscal year 2014.

4. **Profit before tax**

Profit before tax and exceptional item was ₹ 28,692 Million in fiscal year 2015 compared to ₹ 31,178 Million in fiscal year 2014. Profit before tax as a percentage of total income was 15% in fiscal year 2015 compared to 19.1% in fiscal year 2014.

5. **Income taxes**

The provision for income tax for the year ended 31st March 2014 was ₹ 6,743 Million and ₹ 5,523 Million in the previous year. The effective tax rate in these years was 23% and 17.1% respectively.

6. **Profit after tax**

Profit after tax was ₹ 22,562 Million in fiscal year 2015 and ₹ 26,855 Million in fiscal year 2014. Profit after tax as a percentage of revenue was 11.8% in fiscal year 2015 and 16.4% in fiscal year 2014.

Consolidated PAT

Consolidated PAT for the fiscal year 2015 was ₹ 26,277 Million compared to ₹ 30,288 Million last fiscal year 2014. PAT as a percentage of revenue was 11.6% in fiscal year 2015 compared to 16.1% in fiscal year 2014.

C. **CASH FLOW**

₹ Million

Particulars	Fiscal Year 2015	Fiscal Year 2014
Net cash flow from operating activities*	20,685	12,942
Net cash flow from (used in) investing activities	(17,017)	(224)
Net cash flow from (used in) financing activities	(7,310)	(9,174)
Cash and cash equivalents at the beginning of the year	9,996	2,703
Increase in cash & cash equivalent on Amalgamation	649	3,749
Cash and cash equivalents at the end of the year	7,003	9,996

* excludes unrealized gain/(loss) on foreign currency

D. **Internal Control Systems**

The Company maintains adequate internal control system, which provides, among other things, reasonable assurance of recording the transactions of its operations in all material aspects and of providing protection against significant misuse or loss of Company's assets. The company uses an Enterprise Resource Planning (ERP) package, which enhances the internal control mechanism.

E. Material developments in human resources including number of people employed

Being an organization that focuses on staying at the cutting edge of technology through our people, we strive at attracting the best talent through intensive recruitment drives in premier engineering and management institutes. During the year, Tech Mahindra saw a net addition of 13,840 professionals through campus recruitment and lateral just-in-time hiring. The global headcount of the company as on 31st March 2015 was 103,281 as compared to 89,441 as on 31st March 2014.

The IT attrition was 19% during the year as compared to 15% in the previous year. The Company has been working towards retaining talent by investing in career development programs, talent engagement initiatives, employee well-being (personal as well as professional), rewards and recognition as well as an empowered work environment.

Cautionary Statement

Certain statements made in the management discussion and analysis report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections and so on, whether express or implied. Several factors could make a significant difference to the Company's operations. These include economic conditions affecting demand and supply, government regulations and taxation, natural calamities and so on over which the Company does not have any direct control.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
TECH MAHINDRA LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Tech Mahindra Limited (the Company), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the Act) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Basis for Qualified Opinion

Attention is invited to the following matter in respect of the erstwhile Satyam Computer Services Limited (erstwhile Satyam), amalgamated with the Company with effect from April 1, 2011:

As stated in Note 26.3, the alleged advances to the erstwhile Satyam, amounting to ₹ 12,304 Million (net) relating to prior years has been presented separately under "Amounts pending investigation suspense account (net)" in the Balance Sheet. The details of these claims and the related developments are more fully described in the said Note.

Further, as stated in the said Note, the Company's Management is of the view that the claim regarding repayment of the alleged advances not being legally tenable has been reinforced in view of the developments described in the said Note including based on legal opinion. However, pending the final outcome of the recovery suit filed by the 37 companies in the City Civil Court and the Enforcement Directorate matter under the Prevention of Money Laundering Act pending before the Honourable High Court, the Company, as a matter of prudence, at this point of time, is continuing to classify the amounts of the alleged advances as "Amounts pending investigation suspense account (net)", and the same would be appropriately dealt with / reclassified when the final outcome becomes clearer. Also, in the opinion of the Company's Management, even if the principal amounts of such claims are held to be tenable and the Company is required to repay these amounts, such an eventuality should not have an adverse bearing on either the Company's profits or its reserves in that period, since the Company has been legally advised that no damages / compensation / interest would be payable even in such an unlikely event.

In the absence of complete / required information, and since the matter is sub-judice, we are unable to comment on the accounting treatment / adjustments / disclosures relating to the aforesaid alleged advances amounting to ₹ 12,304 Million (net) and the related claims for damages / compensation / interest, which may become necessary as a result of the ongoing legal proceedings and the consequential impact, if any, on these financial statements. However, in the eventuality of any payment upto ₹ 12,304 Million, against the aforesaid claims for the principal amounts of the alleged advances, there should be no impact on the profits / losses or reserves of the Company.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the matter described in the Basis for Qualified Opinion in paragraph above, the consequential effects, if any, of which are not quantifiable, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters:

a) Notes 26.1 and 26.2 - In respect of the financial irregularities in the erstwhile Satyam relating to prior years identified consequent to the letter dated January 7, 2009 of the then Chairman of erstwhile Satyam, various regulators/investigating agencies initiated their investigations and legal proceedings, which are ongoing.

   The Company's Management is of the view that the above investigations / proceedings would not result in any additional material provisions / write-offs / adjustments (other than those already provided for / written-off or disclosed) in the financial statements of the Company.

b) In respect of the non-compliances/breaches in the erstwhile Satyam relating to certain provisions of the Companies Act, 1956, certain employee stock option guidelines issued by the Securities Exchange Board of India and certain matters under the provisions of FEMA, observed in the prior years under its erstwhile management (prior to the appointment of Government nominated Board).

   As per the Company's Management, any adjustments, if required, in the financial statements of the Company would be made as and when the outcomes of the above matters are concluded.

c) Note 24.5 - Appeals against the order by the single judge of the Honourable High Court of Andhra Pradesh approving the Scheme of merger have been filed by 37 companies before the Division Bench of the Honorable High Court of Andhra Pradesh. No interim orders have been passed and the appeals are pending hearing.

d) As stated in Note 29.5.2.v, erstwhile Satyam was carrying a total amount of ₹ 4,989 Million (net of taxes paid) as at March 31, 2013 (that is, before giving effect to its amalgamation with the Company) towards provision for taxation, including for the prior years for which the assessments are under dispute. Subsequent to the amalgamation, duly considering the professional advice obtained in the matter, the Company's Management has re-evaluated the effects of the possible outcomes of the tax matters in dispute relating to erstwhile Satyam and the estimated excess tax provision amounting to ₹ 2,266 Million determined based on such evaluation in respect of the prior years has been written back during the year ended March 31, 2014. The Company's Management is of the view that the balance provision for taxation carried in the books with respect to the prior year disputes relating to erstwhile Satyam is adequate.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 (the Order) issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   (a) Except for the effects of the matter described in the Basis for Qualified Opinion in paragraph above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) Except for the effects of the matter described in the Basis for Qualified Opinion in paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   (d) Except for the effects of the matter described in the Basis for Qualified Opinion in paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

   (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

   (f) On the basis of the written representations received from the Directors as on March 31, 2015 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2015 from being appointed as a Director in terms of Section 164 (2) of the Act.

   (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 26, 27, 28, 29, 30 and 32 to the financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. B. Jani
Partner
(Membership No. 46488)

Place: Mumbai, India
Date: May 26, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT
Re: TECH MAHINDRA LIMITED

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The major portions of the fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(ii) In our opinion and according to the information and explanations given to us, having regard to the nature of the Company's business / activities during the year, clause (ii) of paragraph 3 of the Order is not applicable to the Company.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Act. Accordingly the provisions of sub clauses (a) and (b) of Clause (iii) of paragraph 3 of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of goods and services and during the course of our audit we have not observed any continuing failure to correct major weaknesses in such internal control system. There are no purchases of inventories during the year.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits. Therefore, the provisions of the clause (v) of paragraph 3 of the Order are not applicable to the Company.

(vi) According to the information and explanations given to us, the provisions of the clause (vi) of paragraph 3 of the Order are not applicable to the Company as the Company is not covered by the Companies (Cost Records and Audit) Rules, 2014.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2015, for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on March 31, 2015 on account of disputes are given below:

₹ in Million

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved
The Income-tax Act,1961	Income-tax	Income-tax Appellate Tribunal	Financial Year 2003-04	151.69

₹ in Million

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved
The Income-tax Act,1961	Income-tax	Income-tax Appellate Tribunal	Financial Year 2004-05	150.46
The Income-tax Act,1961	Income-tax	Supreme Court	Financial Year 2004-05	39.55
The Income-tax Act,1961	Income-tax	High Court	Financial Year 2005-06	2.83
The Income-tax Act,1961	Income-tax	Income-tax Appellate Tribunal	Financial Year 2005-06	1.57
The Income-tax Act,1961	Income-tax	Income-tax Appellate Tribunal	Financial Year 2007-08	16.63
The Income-tax Act,1961	Income-tax	Income-tax Appellate Tribunal	Financial Year 2007-08	29.09
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)	Financial Year 2007-08	1.43
The Income-tax Act,1961	Income-tax	High Court	Financial Years 2002-03 to 2007-08	5,967.31 #
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)	Financial Year 2001-02	8.11 #
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)	Financial Year 2008-09	55.32
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)	Financial Year 2009-10	670.98
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)	Financial Year 2009-10	24.80
The Income-tax Act,1961	Income-tax	Dispute Resolution Panel	Financial Year 2010-11	515.77
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)	Financial Year 2007-08	18.12
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)*	Financial Year 2010-11	88.88
The Income-tax Act,1961	Income-tax	Income-tax Appellate Tribunal	Financial Year 2006-07	6.03
Finance Act, 1994	Service Tax	Commissioner of Central Excise	Financial Years 2003-04 to 2006-07	12.86
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2004-05 to 2007-08	86.60
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2004-05 to 2008-09	118.77
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2005-06 to 2007-08	46.43
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2008-09 to 2010-11	169.50
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2007-08 to 2010-11	179.78
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2008-09 to 2013-14	11,857.56
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Year 2008-09	11.73
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2012-13 to 2013-14	893.60

₹ in Million

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved
Andhra Pradesh VAT Act, 2005	Value Added Tax	Sales Tax Appellate Tribunal	Financial Year 2007-08	6.78
Andhra Pradesh VAT Act, 2005/ Central Sales Tax Act, 1956	Sales Tax / Value Added Tax	High Court	Financial Years 2007-08 to 2010-11	155.65
Central Sales Tax Act, 1956	Central Sales Tax	The Appellate Deputy Commissioner (Commercial Tax)	Financial Year 2011-12	37.29
Delhi Value Added Tax Act, 2004	Value Added Tax	The Addl. Commissioner VAT	May 2012	2.81
Delhi Value Added Tax Act, 2004	Value Added Tax	The Addl. Commissioner VAT	Financial Year 2012-13	0.19
Delhi Value Added Tax Act, 2004	Value Added Tax	The Addl. Commissioner VAT	Financial Year 2013-14	2.29
The Maharashtra Value Added Tax Act, 2002	Value Added Tax	Joint Commissioner of Sales Tax (Appeal)	Financial Year 2008-09	4.19
Central Sales Tax Act, 1956	Central Sales Tax (Gujarat)	Deputy Commissioner of Commercial Tax (Appeal)	Financial Years 2006-07 to 2008-09	5.60
Himachal Pradesh Value Added Tax Act, 2005	Value Added Tax	Additional Excise and Taxation Commissioner Cum-Appellate Authority	Financial Year 2013-14	7.83
Maharashtra Tax on Entry of Goods in to Local Areas Ordinance, 2002	Entry Tax – Maharashtra	Deputy Commissioner (Appeal) Sales Tax	Financial Years 2008-09 to 2011-12	41.71
Wealth Tax Act, 1957	Wealth Tax	Commissioner Wealth Tax (Appeal)	Financial Years 2006-07 to 2008-09 and 2010-11	19.24 @
Revenue & Taxation Code, USA	Franchise Tax	State Board of Equalization, California	January 2003 – December 2005	9.03
Revenue & Taxation Code, USA	Pennsylvania state Income-tax	Commonwealth of Pennsylvania Department of Revenue	Financial Years 1988 – 2005	4.64
Decree of the President of the Republic of Italy	Tax on purchase of shares	Regional Court of Emilia Romagna, Italy	Financial Year 2008-09	8.14
The Karnataka Stamp Act 1957	Stamp Duty	High Court	Financial Year 2006-07	1.08
The Customs Act, 1962	Custom Duty	Customs Excise & Service Tax Appellate Tribunal	Financial Year 1996-97	1.19
Chad Tax Administration	Withholding Tax	Deputy General Manager of Tax Authorities	Calendar year 2012	4.12

* The Company is in process of filing the appeal

@ The Company has paid ₹ 20 Million under protest after March 31, 2015

\# The above excludes the Income-tax Draft Notices of Demand amounting to ₹ 7,952 Million and ₹ 9,637 Million for financial years 2001-02 and 2006-07 respectively, issued by the Additional Commissioner of Income-tax under Section 143(3) read with Section 147 of the Income-tax Act, 1961, against which the Company has filed its objections with the Dispute Resolution Panel, which is pending disposal.

(d) The Company has been generally regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time.

(viii) Except for the consequential effects, if any, of our comments in paragraph under 'Basis for Qualified Opinion' section of the Independent Auditors' Report which are not quantifiable, the Company has accumulated profits at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and debenture holders. According to the information and explanations given to us, there are no dues payable to financial institutions.

(x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not, prima facie, prejudicial to the interests of the Company.

(xi) According to the information and explanations given to us, the Company did not avail any term loan during the year.

(xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. B. Jani
Partner
(Membership No. 46488)

Place: Mumbai, India
Date: May 26, 2015

BALANCE SHEET AS AT MARCH 31, 2015

₹ in Million

		Note		March 31, 2015	March 31, 2014
I	**EQUITY AND LIABILITIES**				
1	**Shareholders' Funds**				
	(a) Share Capital	3	**4,804**		2,335
	(b) Reserves and Surplus	4	**107,754**		83,551
				112,558	85,886
2	**Share Application Money Pending Allotment (refer note 34)**			**3**	15
3	**Non-Current Liabilities**				
	(a) Long-Term Borrowings	5	**-**		50
	(b) Other Long-Term Liabilities	6	**-**		3,741
	(c) Long-Term Provisions	7	**3,293**		3,203
				3,293	6,994
4	**Current Liabilities**				
	(a) Trade Payables	8	**18,331**		14,319
	(b) Other Current Liabilities	9	**8,903**		16,980
	(c) Short-Term Provisions	10	**14,773**		10,894
				42,007	42,193
5	**Amount Pending Investigation Suspense Account (Net) (refer note 26.3)**			**12,304**	12,304
				170,165	147,392
II	**ASSETS**				
1	**Non-Current Assets**				
	(a) Fixed Assets	11			
	(i) Tangible Assets		**19,485**		17,939
	(ii) Intangible Assets		**325**		397
	(iii) Capital Work-in-Progress		**5,511**		2,640
				25,321	20,976
	(b) Non-Current Investments	12		**36,309**	22,940
	(c) Deferred Tax Asset (refer note 47)			**2,880**	3,109
	(d) Long-Term Loans and Advances	13		**10,765**	9,406
	(e) Other Non-Current Assets	14		**1**	157
				75,276	56,588
2	**Current Assets**				
	(a) Current Investments	15	**4,568**		-
	(b) Trade Receivables	16	**42,408**		39,278
	(c) Cash and Bank Balances	17	**18,195**		28,263
	(d) Short-Term Loans and Advances	18	**17,452**		13,480
	(e) Other Current Assets	19	**12,266**		9,783
				94,889	90,804
				170,165	147,392
	See accompanying notes forming part of the financial statements	1 to 59			

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

A. B. Jani
Partner

Mumbai, India, May 26, 2015

For Tech Mahindra Limited

Anand G. Mahindra
Chairman

Vineet Nayyar
Executive Vice Chairman

C. P. Gurnani
Managing Director & CEO

Anupam Puri
Director

Bharat Doshi
Director

M. Damodaran
Director

M. Rajyalakshmi Rao
Director

Ravindra Kulkarni
Director

T. N. Manoharan
Director

Ulhas N. Yargop
Director

Milind Kulkarni
Chief Financial Officer

G. Jayaraman
Company Secretary

Mumbai, India, May 26, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

₹ in Million except Earnings per share

		Note	Year ended March 31, 2015	Year ended March 31, 2014
I	Revenue from Operations		**191,627**	162,951
II	Other Income (net)	20	**1,245**	703
III	**Total Revenue (I + II)**		**192,872**	163,654
IV	**Expenses:**			
	Employee Benefits Expense	21	**72,012**	69,715
	Subcontracting Expenses		**64,182**	34,012
	Finance Costs	22	**86**	868
	Depreciation and Amortization Expense	22 A	**4,733**	4,270
	Other Expenses	23	**23,167**	23,611
	Total Expenses		**164,180**	132,476
V	**Profit before Exceptional Item and Tax (III - IV)**		**28,692**	31,178
VI	Exceptional Item - Income (refer note 39)		**613**	1,200
VII	**Profit before Tax (V - VI)**		**29,305**	32,378
VIII	Tax Expense:			
	(a) Current Tax (refer note 49)		**6,487**	8,433
	(b) Earlier years excess provision written back (refer note 29.5.2.v)		**-**	(2,266)
	(c) Deferred Tax (refer note 47)		**256**	(644)
IX	**Profit after Tax (VII - VIII)**		**22,562**	26,855
	Earnings Per Equity Share (face value ₹ 5) (Before exceptional item) in ₹ (refer note 55)			
	(a) Basic		**22.94**	27.58
	(b) Diluted		**22.33**	26.85
	Earnings Per Equity Share (face value ₹ 5) (After exceptional item) in ₹ (refer note 55)			
	(a) Basic		**23.58**	28.87
	(b) Diluted		**22.96**	28.10
	See accompanying notes forming part of the financial statements	1 to 59		

In terms of our report attached

For Deloitte Haskins & Sells LLP
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A. B. Jani
Partner

Mumbai, India, May 26, 2015

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Chief Financial Officer

G. Jayaraman
Company Secretary

Mumbai, India, May 26, 2015

CASH FLOW FOR THE YEAR ENDED MARCH 31, 2015

₹ in Million

	Particulars		Year ended March 31, 2015	Year ended March 31, 2014
A	**Cash Flow from Operating Activities**			
	Net Profit Before Tax but after Exceptional item		**29,305**	32,378
	Less: Exceptional Item		**613**	1,200
	Profit before Tax		**28,692**	31,178
	Adjustments for :			
	Depreciation and Amortization Expense	**4,733**		4,270
	Amortization of Deferred Revenue	**-**		(1,708)
	Provision for Doubtful Receivables, Unbilled Revenue and other Advances, Bad debts, Deposits and Loans and Advances written off (net)	**679**		1,400
	Provision for Impairment in Non Current Investment	**-**		243
	Customer Claims and Warranties (net)	**118**		102
	(Profit) / Loss on Sale of Fixed Assets (net)	**23**		(104)
	Finance Costs	**86**		868
	Unrealized Exchange (Gain) / Loss (net)	**(544)**		871
	Employee Stock Compensation Cost (net)	**2,268**		1,312
	Reversal of Provision no longer required on Non-Current Investments written back (refer note 36 (d) and 36 (g))	**(12)**		(217)
	Interest Income	**(1,513)**		(1,945)
	Dividend Income on Current Investments	**(168)**		(59)
	Dividend Income from subsidiary	**(153)**		-
			5,517	5,033
	Operating Profit before working capital changes		**34,209**	36,211
	Trade Receivables and Other Assets	**(8,870)**		(18,691)
	Trade Payables, Other Liabilities and Provisions	**2,113**		4,183
			(6,757)	(14,508)
	Cash Generated from Operations		**27,452**	21,703
	Income Tax Refund / (Paid) (net)		**(6,767)**	(8,761)
	Net Cash Flow from / (used in) Operating Activities (A)		**20,685**	12,942
B	**Cash Flow from Investing Activities**			
	Purchase of Fixed Assets	**(9,033)**		(7,976)
	Proceeds from Sale of Fixed Assets	**31**		300
	Purchase of Current Investments	**(60,404)**		(33,320)
	Sale of Current Investments	**56,641**		33,380
	Purchase of Treasury Bonds	**-**		(7)
	Dividend Income from subsidiary	**153**		-
	Acquisition of Company (refer note 35)	**(1,528)**		-
	Additional Investment in Subsidiaries	**(11,686)**		(1,300)
	Repatriation on Liquidation of Subsidiary (refer note 36 (d) and 36 (g))	**328**		217
	Additions in Investment Property (refer note 45 (e))	**(265)**		-
	Fixed Deposit / Margin Money Realized	**28,083**		31,029
	Fixed Deposit / Margin Money Placed	**(21,393)**		(24,930)
	Interest Received	**2,056**		2,383
	Net Cash Flow from / (used in) Investing Activities (B)		**(17,017)**	(224)
C	**Cash Flow from Financing Activities**			
	Proceeds from Issue of Equity Shares (Including Share Application Money)	**582**		497
	Loan given to Subsidiary	**-**		(31)
	Interest on Loan given to Subsidiary	**2**		27
	Repayment of Loan by Related parties	**1,020**		1,050
	Dividend (Including Tax on Dividend) paid	**(5,496)**		(1,359)
	Repayment of Long-Term Borrowings	**(3,040)**		(3,049)

CASH FLOW FOR THE YEAR ENDED MARCH 31, 2015

₹ in Million

Particulars		Year ended March 31, 2015	Year ended March 31, 2014
Proceeds from Short-Term Borrowings	1,615		9,786
Repayment of Short-Term Borrowings	(1,615)		(15,055)
Finance Costs	(378)		(1,040)
Net Cash Flow from / (used in) Financing Activities (C)		**(7,310)**	(9,174)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		**(3,642)**	3,544
Cash and Cash Equivalents at the beginning of the year		**9,996**	2,703
Increase in Cash and Cash Equivalents on Amalgamation (refer note 24 and 25)		**649**	3,749
Cash and Cash Equivalents (refer note 2) at the end of the year		**7,003**	9,996

Notes :

1 Purchase of Fixed Assets are stated inclusive of movements of Capital Work-in-Progress, Capital Creditors and Capital Advances between the commencement and end of the period and are considered as part of Investing Activity.

₹ in Million

2

Particulars	**March 31, 2015**	March 31, 2014
Cash and Cash Equivalents *	**7,011**	10,637
Unrealized Loss/(Gain) on Foreign Currency Balances	**(8)**	(641)
Total	**7,003**	9,996
*** Cash and Cash Equivalents Comprises of**		
(a) Funds in Transit	**294**	-
Balances with Banks :		
(a) In Current Accounts	**5,117**	10,637
(b) In Deposit Accounts	**1,600**	-
	7,011	10,637
Reconciliation of Cash and Cash Equivalents with the Balance Sheet		
Cash and Bank Balances (refer note 17)	**18,195**	28,263
Less:		
In Deposit Accounts	**6,078**	12,889
Unclaimed Dividend	**38**	37
Balances held as Margin Money/Security towards obtaining Bank Guarantees	**5,054**	4,523
Balance held under Escrow Account	**14**	177
Total Cash and Cash Equivalents	**7,011**	10,637

3 Cash and Cash Equivalents include Equity Share Application Money of ₹ 3 Million (March 31, 2014 ₹ 15 Million).

See accompanying notes forming part of the financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

A. B. Jani
Partner

Mumbai, India, May 26, 2015

For Tech Mahindra Limited

Anand G. Mahindra
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Ulhas N. Yargop
Director

Milind Kulkarni
Chief Financial Officer

G. Jayaraman
Company Secretary

Mumbai, India, May 26, 2015

Notes forming part of the Financial Statements for the year ended March 31, 2015

1. CORPORATE INFORMATION:

Tech Mahindra Limited (referred to as "TechM" or the "Company") operates mainly into two sectors i.e. Telecom business and Enterprise Solutions business. The telecom business provides consulting-led integrated portfolio services to customers which are Telecom Equipment Manufacturers, Telecom Service Providers and IT Infrastructure Services, Business Process Outsourcing as well as Enterprise Services (BFSI, Retail & Logistics, Manufacturing, E&U, and Healthcare, Life Sciences, etc.) of Information Technology (IT) and IT-enabled services delivered through a network of multiple locations around the globe. The enterprise solutions business provides comprehensive range of IT services, including IT enabled services, application development and maintenance, consulting and enterprise business solutions, extended engineering solutions and infrastructure management services to diversified base of corporate customers in a wide range of industries including insurance, banking and financial services, manufacturing, telecommunications, transportation and engineering services. The Company's registered office is in Mumbai, India and has over 140 subsidiaries across the globe.

2. SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis for preparation of financial statements:

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India on accrual basis under the historical cost convention, except for certain financial instruments which are measured at fair value. These financial statements have been prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"). The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of Estimates:

The preparation of financial statements requires the management of the company to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the financial statements.

2.3 Tangible Fixed Assets and Intangible assets:

Tangible fixed assets and intangible assets are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalised includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction / installation stage.

2.4 Depreciation / amortization of fixed assets:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation / amortisation on fixed assets including assets taken on lease, other than freehold land is charged based on straight line method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, where the life of the assets has been assessed as under based on technical advice, considering the nature of the asset, estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Buildings	28 years
Computers	3 years
Computers taken on Finance Lease	Lower of 5 years or lease period
Plant and Equipments	3 to 5 years
Furniture and Fixtures	5 years
Furniture and Fixture taken on Finance Lease	Lower of 5 years or lease period
Vehicles	5 years
Leasehold Improvements	Lower of lease period or expected occupancy

Leasehold land is amortised over the period of lease.

Assets costing upto ₹ 5,000 are fully depreciated in the year of purchase except when they are part of a larger capital investment programme.

The estimated useful life of the intangible assets are reviewed at the end of each reporting period to reflect the changed pattern, if any.

The cost of software purchased for internal use is capitalized and depreciated in full in the month in which it is put to use.

Project specific intangible assets are amortised over their estimated useful lives on a straight line basis or over the period of the license, whichever is lower.

2.5 Leases:

Assets taken on lease are accounted as fixed assets where necessary conditions are complied in accordance with Accounting Standard 19 on “Leases”, (AS 19).

i. Finance lease:

Where the Company, as a lessor, leases assets under finance lease, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is based on constant rate of return on the outstanding net investment.

Assets taken on finance lease are accounted as fixed assets at fair value. Lease payments are apportioned between finance charge and reduction of outstanding liability.

ii. Operating lease:

Lease arrangements under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease rental under operating lease are recognised in the Statement of Profit and Loss on a straight line basis over the lease term.

2.6 Impairment of Assets:

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment, if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and

(b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

2.7 Investments:

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

2.8 Inventories:

Components and parts:

Components and parts are valued at lower of cost or net realizable value. Cost is determined on First-In-First Out basis.

Finished Goods:

Finished goods are valued at the lower of the cost or net realisable value. Cost is determined on First-In-First Out basis.

Projects in Progress / Work in Progress:

Hardware equipment and other items are carried at the lower of cost and net realisable value. Cost is determined on a specific identification basis. Cost includes material cost, freight and other incidental expenses incurred in bringing the inventory to the present location / condition.

2.9 Revenue recognition:

Revenue from software services and business process outsourcing services include revenue earned from services rendered on 'time and material' basis, time bound fixed price engagements and system integration projects.

All revenues from services, as rendered, are recognised when persuasive evidence of an arrangement exists, the sale price is fixed or determinable and collectability is reasonably assured and are reported net of sales incentives, discounts based on the terms of the contract and applicable indirect taxes.

The Company also performs time bound fixed price engagements, under which revenue is recognised using the proportionate completion method of accounting, unless work completed cannot be reasonably estimated. Provision for estimated losses, if any on uncompleted contracts are recorded in the period in which such losses become probable based on the current estimates and can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known.

Revenue from maintenance contracts is recognised over the period of the contract in accordance with its terms.

Revenue recognition is based on the terms and conditions as per the contracts entered into with the customers. In respect of expired contracts under renewal or where there are no contracts available, revenue is recognised based on the erstwhile contract / provisionally agreed terms and/or understanding with the customers.

Revenue is net of volume discounts / price incentives which are estimated and accounted for based on the terms of the contracts and excludes applicable indirect taxes.

Amounts received or billed in advance of services performed are recorded as advances from customers / unearned revenue.

Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms and is net of estimated allowance for uncertainties and provision for estimated losses.

Liquidated damages and penalties are accounted as per the contract terms wherever there is a delayed delivery attributable to the Company and when there is a reasonable certainty with which the same can be estimated.

Revenues from the sale of software and hardware products are recognised upon delivery/ deemed delivery, which is when title passes to the customer, along with risk and rewards.

Reimbursement / recoveries from customers are separately identified as contractual receivables when no significant uncertainty as to measurability or collectability exists.

The Company recognizes unearned finance income as financing revenue over the lease term using the effective interest method.

Dividend income is recognised when the Company's right to receive dividend is established. Interest income is recognised on time proportion basis.

2.10 Government grants:

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants will be received.

Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of the depreciable asset by way of reduced depreciation charge. Grants in the nature of capital subsidy are treated as capital reserve based on receipt / eligibility.

Grants related to revenue are accounted for as other income in the period in which the related costs which they intend to compensate are accounted for to the extent there is no uncertainty in receiving the same. Incentives which are in the nature of subsidies given by the Government which are based on the performance of the Company are recognised in the year of performance / eligibility in accordance with the related scheme.

Government grants in the form of non-monetary assets, given at a concessional rate, are accounted for at their acquisition costs.

2.11 Foreign currency transactions:

(i) Foreign currency transactions and translations:

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Monetary items are translated at the period end rates. The exchange differences between the rate prevailing on the date of transaction and on the date of settlement / translation of monetary items at the end of the period is recognised as income or expense, as the case may be.

Any premium or discount arising at the inception of the forward exchange contract is recognised as income or expense over the life of the contract, except in the case where the contract is designated as a cash flow hedge.

(ii) Derivative instruments and hedge accounting:

The Company uses foreign currency forward contracts / options to hedge its risks associated with foreign currency fluctuations relating to certain forecasted transactions. Effective April 1st, 2007 the Company designates some of these as cash flow hedges applying the recognition and measurement principles set out in the Accounting Standard 30 “Financial Instruments: Recognition and Measurements” (AS 30).

The use of foreign currency forward contracts/options is governed by the Company’s policies approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the Company’s risk management strategy. The counter party to the Company’s foreign currency forward contracts is generally a bank. The Company does not use derivative financial instruments for speculative purposes.

Foreign currency forward contract/ option derivative instruments are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised directly in Hedging Reserve (under Reserves and Surplus) and the ineffective portion is recognised immediately in the Statement of Profit and Loss.

The accumulated gains / losses on the derivatives accounted in Hedging Reserve are transferred to the Statement of Profit and Loss in the same period in which gains / losses on the item hedged are recognized in the Statement of Profit and Loss.

Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the Statement of Profit and Loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on the hedging instrument recognised in shareholders’ funds is retained there and is classified to Statement of Profit and Loss when the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in shareholders’ funds is transferred to the Statement of Profit and Loss for the period.

2.12 Employee Benefits:

(i) Gratuity:

The Company accounts for its gratuity liability, a defined retirement benefit plan covering eligible employees. The gratuity plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of the employment based on the respective employee's salary and the tenure of the employment. Liabilities with regard to a Gratuity plan are determined based on the actuarial valuation carried out by an independent actuary as at the Balance Sheet date using the Projected Unit Credit method.

Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period in which they occur (refer note 40 below).

(ii) Provident fund:

The eligible employees of the Company are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently at 12% of the basic salary) which are charged to the Statement of Profit and Loss on accrual basis. The provident fund contributions are paid to the Regional Provident Fund Commissioner by the Company.

The Company has no further obligations for future provident fund and superannuation fund benefits other than its annual contributions.

(iii) Superannuation and ESIC:

Superannuation fund and employees' state insurance scheme (ESI), which are defined contribution schemes, are charged to the Statement of Profit and Loss on accrual basis.

(iv) Compensated absences:

The Company provides for the encashment of leave subject to certain Company's rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is provided based on the number of days of unavailed leave at each Balance Sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method.

The liability which is not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised based on actuarial valuation as at the Balance Sheet date.

Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period in which they occur.

The company also offers a short term benefit in the form of encashment of unavailed accumulated compensated absence above certain limit for all of its employees and same is being provided for in the books at actual cost.

(v) Other short-term employee benefits:

Other short-term employee benefits such as overseas social security contributions and performance incentives expected to be paid in exchange for the services rendered by employees, are recognised during the period when the employee renders the service.

2.13 Borrowing costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to the Statement of Profit and Loss.

2.14 Taxation:

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to/recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the respective countries.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset if there is convincing evidence that the Company will pay normal tax after the tax holiday period. Accordingly, it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Tax on distributed profits payable in accordance with the provisions of the Income-Tax Act, 1961 is disclosed in accordance with the Guidance Note on Accounting for Corporate Dividend Tax issued by the Institute of Chartered Accountants of India (ICAI).

2.15 Employee Stock Option Plans:

The Company determines the compensation cost based on the intrinsic value method. The company grants options to its employees which will be vested in a graded manner and are to be exercised within a specified period. The compensation cost is amortized on an accelerated basis over the vesting period.

2.16 Research and development:

Research costs are expensed as incurred. Development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use the asset and the costs can be measured reliably.

2.17 Earnings per Share:

Basic earnings / (loss) per share are calculated by dividing the net profit / (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings / (loss) per share, the net profit / (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

2.18 Cash and cash equivalents (for the purpose of cash flow statement):

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

2.19 Provision, Contingent Liabilities and Contingent Assets:

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. The provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect current best estimates.

Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

Note 3 : Share Capital	**As at March 31, 2015**		As at March 31, 2014	
Share Capital	**Number**	**₹ Million**	Number	₹ Million
- **Authorized**				
Equity Shares of ₹ 5 each (Previous year ₹ 10) (refer note i and ii)	**1,268,200,000**	**6,341**	619,100,000	6,191
- **Issued, Subscribed and Paid up**				
Equity Shares of ₹ 5 each (Previous year ₹ 10)	**960,788,912**	**4,804**	233,472,886	2,335
	960,788,912	**4,804**	233,472,886	2,335

Disclosure pursuant Part I of Schedule III to the Companies Act, 2013
Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period:

Particulars	**As at March 31, 2015**		As at March 31, 2014	
	Number	**₹ Million**	Number	₹ Million
Shares outstanding at the beginning of the year	**233,472,886**	**2,335**	128,119,023	1,281
Shares issued during the year	**2,572,284**	**24**	1,868,467	19
Share issued on account of amalgamation (refer note 24 and 25)	**4,259,011**	**43**	103,485,396	1,035
Issue of bonus shares (refer note ii)	**240,161,577**	**2,402**	-	-
Conversion on account of share split (refer note ii)	**480,323,154**	**-**	-	-
Shares outstanding at the end of the year	**960,788,912**	**4,804**	233,472,886	2,335

No. of shares held by each shareholder holding more than 5 percent equity shares of the Company are as follows:

Name of Shareholder	**As at March 31, 2015**		As at March 31, 2014	
	No. of Shares held	**% of Holding**	No. of Shares held	% of Holding
Mahindra & Mahindra Limited	**256,248,704**	**26.67**	60,676,252	25.99
TML Benefit Trust	**96,000,000**	**9.99**	24,000,000	10.28

i) Pursuant to the Scheme of Amalgamation and Arrangement, Mahindra Engineering Services Limited ("MESL") has been merged with the Company with effect from April 1, 2013. Further upon giving effect to the scheme, the authorised capital of the company was increased by ₹ 150 million. (refer note 25)

ii) Shareholders on March 10, 2015 approved the issue of bonus shares and share split and the Board of Directors fixed the record date as March 20, 2015.

- By capitalisation of free reserves, issue of bonus shares in the ratio of one equity share (bonus shares) for every 1 equity share held by member(s) and share split in the ratio of 2 equity shares having face value of ₹ 5 each against 1 equity share having face value of ₹ 10 each held on the record date.
- On March 21, 2015, the company allotted 240,161,577 equity shares (bonus shares) of ₹ 10/- each, to be issued in the form of split shares of 480,323,154 of ₹ 5/- each and also the balance outstanding shares as on the Record Date were converted into 480,323,154 equity shares of ₹ 5 each fully paid-up.

  The Bonus shares were issued by capitalization of balance in the General Reserve amounting to ₹ 2,402 Million.

  Basic and diluted earnings per share for the previous periods has been presented to reflect the adjustment for bonus share and split in accordance with Accounting Standard 20 Earnings Per Share.

iii) Aggregate number of fully paid-up equity shares allotted by way of bonus shares in the immediately preceding five years ended March 31, 2015; 240,161,577 equity shares of ₹ 10/- each fully paid-up equivalent to 480,323,154 equity shares of ₹ 5/- each fully paid-up (previous period of five years ended March 31, 2014: Nil)

iv) Each equity share entitles the holder to one vote and carries an equal right to dividend.

v) The Company declares and pays dividends in Indian Rupees. The Board of Directors in their meeting held on May 26, 2015 proposed a final dividend of ₹ 6 per equity share for year ended March 31, 2015. The proposal is subject to the approval of the shareholders at the ensuing Annual General Meeting.

vi) Refer note 54 for details relating to stock options.

₹ in Million

	As at	
	March 31, 2015	March 31, 2014
Note 4: Reserves and Surplus		
- **Capital Reserve**		
Opening Balance	**-**	-
Add : Additions on account of Amalgamation (refer note 25)	**60**	-
Closing Balance	**60**	-
- **Securities Premium Account**		
Opening Balance	**27,768**	2,828
Add: Additions on account of Amalgamation (refer note 24 and 25)	**36**	26,694
Add: Transfer (net) due to Amalgamation (refer note 24 and 25)	**483**	220
Less: Share issue expenses	**(45)**	(122)
Add : Received during the year on exercise of Stock Options	**570**	468
Add: Transfer from Share Options Outstanding Account on exercise of Stock Options	**344**	170
Add: Adjustment of Amalgamation Reserve (refer note 24)	**-**	(2,489)
Closing Balance	**29,156**	27,768
- **Debenture Redemption Reserve**		
Opening Balance	**2,972**	5,338
Add: Transfer from Surplus in Statement of Profit and Loss	**28**	634
Less: Transferred to Surplus in Statement of Profit and Loss	**(3,000)**	(3,000)
Closing Balance	**-**	2,972
- **Share Options Outstanding Account (refer note 2.15 and 54)**		
Opening Balance	**2,191**	918
Add: Additions on account of Amalgamation (refer note 24 and 25)	**250**	530
Add: Transfer (net) due to Amalgamation (refer note 24 and 25)	**(248)**	(399)
Add :Amortized Amount of Stock Compensation Cost (net)	**2,268**	1,312
Less: Transfer to Securities Premium Account on exercise of Stock Options	**(344)**	(170)
Closing Balance	**4,117**	2,191
- **Amalgamation Reserve (refer note 24)**		
Opening Balance	**-**	-
Add : Arising on Amalgamation (net)	**-**	(2,489)
Less : Adjusted against Securities Premium Account	**-**	2,489
Closing Balance	**-**	-
- **General Reserve**		
Opening Balance	**12,353**	6,451
Add: Additions on account of Amalgamation (refer note 25)	**147**	-
Add: Transfer (net) due to Amalgamation (refer note 24 and 25)	**44**	902
Less: Utilised for issue of Bonus Shares (refer note 3)	**(2,402)**	-
Add: Transfer from Surplus in Statement of Profit and Loss	**-**	5,000
Closing Balance	**10,142**	12,353

	₹ in Million As at March 31, 2015	March 31, 2014
Note 4: Reserves and Surplus (contd)		
- **Hedging Reserve (refer note 48)**		
Opening Balance	**(5,589)**	(2,486)
Add: Additions on account of Amalgamation (refer note 24)	**-**	197
Less: Transfer due to Amalgamation (refer note 24)	**-**	(38)
Add: Movement during the year (net)	**6,309**	(3,262)
Closing Balance	**720**	(5,589)
- **Surplus in Statement of Profit and Loss**		
Opening balance	**43,856**	27,495
Add: Additions on account of Amalgamation (refer note 24 and 25)	**922**	(25,223)
Less: Adjusted against Amalgamation Reserve (net) (refer note 24)	**-**	2,811
Add: Transfer (net) due to Amalgamation (refer note 24 and 25)	**218**	19,735
Add : Reversal of provision on account of Amalgamation (refer note 39.1)	**-**	64
Add: Reversal of dividend on account of Amalgamation (refer note 24)	**-**	186
Add: Reversal of Tax on Dividend on account of Amalgamation (refer note 24)	**-**	31
Add: Net Profit for the year	**22,562**	26,855
Less: Transfer to Debenture Redemption Reserve	**(28)**	(634)
Add: Transfer from Debenture Redemption Reserve	**3,000**	3,000
Less: Proposed Final Dividend (refer note 3)	**(5,765)**	(4,669)
Less: Tax on Proposed Dividend (refer note 3)	**(1,173)**	(794)
Less: Transfer to General Reserve	**-**	(5,000)
Less: Dividend on equity shares issued after April 1 till the record date	**(28)**	(1)
Less: Tax on Dividend on equity shares issued after April 1 till record date	**(5)**	-
Closing Balance	**63,559**	43,856
	107,754	83,551
Note 5: Long-Term Borrowings		
Secured :		
- **Finance Lease Obligations (refer note 45)** Lease obligations are secured by the assets financed through the finance lease arrangements and are repayable in the equal monthly installments over a period of 1-5 years and carry a finance charge.	**-**	50
	-	50
Note 6: Other Long-Term Liabilities		
- Fair Values of Foreign Exchange Forward and Currency Option Contracts (net) (refer note 48)	**-**	3,659
- Capital Creditors	**-**	82
	-	3,741
Note 7: Long-Term Provisions		
- Provision for Employee Benefits		
- Gratuity (refer note 40)	**1,839**	1,799
- Others	**1,454**	1,404
	3,293	3,203

₹ in Million

	As at March 31, 2015	As at March 31, 2014
Note 8: Trade Payables		
- Trade Payables other than Accrued Salaries and Benefits (refer note 52 and 58)	**15,658**	11,456
- Accrued Salaries and Benefits	**2,673**	2,863
	18,331	14,319
Note 9: Other Current Liabilities		
- Current Maturities of Long Term Debt (Secured Debentures)	**-**	3,000
(The above debentures were secured by *pari passu* charge over the immovable property located in Gujarat and Pune. Company had also deposited the title deeds of certain other immovable properties of the Company with the debenture trustees.) The charge has been satisfied during the year.		
- Current Maturities of Finance Lease Obligations (refer note 45), (for details of security, refer note 5)	**52**	42
- Contractual Obligation (refer note 35 (p))	**-**	767
- Interest Accrued but not due on Borrowings	**-**	293
- Fair Values of Foreign Exchange Forward and Currency Option Contracts (net) (refer note 48)	**-**	2,449
- Capital Creditors	**709**	736
- Advance from Customers	**381**	837
- Unearned Revenue	**594**	1,292
- Unclaimed Dividends	**38**	37
- Statutory Remittances	**1,770**	1,900
- Others#	**5,359**	5,627
# Others mainly Include:		
- Aberdeen UK Claims settlement consideration (including interest) payable ₹ 3,628 Million (previous year ₹ 3,628 Million) (refer note 28)		
- Aberdeen US claim settlement consideration payable ₹ 648 Million (previous year ₹ 648 Million) (refer note 27)		
- Class action suit settlement consideration payable ₹ 265 Million (previous year ₹ 265 Million)		
- Discounts payable to Customers ₹ 586 Million (previous year ₹ 485 Million)		
	8,903	16,980
Note 10: Short-Term Provisions		
- Provision for Employee Benefits		
- Gratuity (refer note 40)	**366**	338
- Others	**993**	991
- Provision for Proposed Final Dividend (refer note 3)	**5,765**	4,669
- Provision for Tax on Dividend (refer note 3)	**1,173**	794
- Provision for Income Tax (net of Taxes paid) (refer note 49 and 29.5.2.v)	**5,602**	3,192
- Provision for Claims and Warranties (refer note 50)	**163**	199
- Provision for Contingencies (refer note 51)	**711**	711
	14,773	10,894

Note 11: Fixed Assets

₹ in Million

	Gross Block						Accumulated Depreciation/Amortisation						Net Block
	Cost as at April 01, 2014	Additions on Amalgamation (refer note 24 and 25)	Additions during the year (refer note (iv) below)	Deletions during the year (refer note (iv) below)	Reclassification (refer note 45 (e))	Balance as at March 31, 2015	As at April 01, 2014	Additions on Amalgamation (refer note 24 and 25)	For the year (refer note (iv) below)	Deductions during the year (refer note (iv) below)	Reclassification (refer note 45 (e))	Upto March 31, 2015	As at March 31, 2015
a Tangible Assets													
Freehold Land	**787**	**-**	**7**	**-**	**14**	**780**	**-**	**-**	**-**	**-**	**-**	**-**	**780**
	175	*425*	*187*	*-*	*-*	*787*	*-*	*-*	*-*	*-*	*-*	*-*	*787*
Leasehold Land	**1,152**	**-**	**639**	**-**	**-**	**1,791**	**235**	**-**	**31**	**-**	**-**	**266**	**1,525**
	678	*277*	*197*	*-*	*-*	*1,152*	*87*	*12*	*136*	*-*	*-*	*235*	*917*
Buildings	**13,507**	**-**	**1,006**	**68**	**223**	**14,222**	**3,280**	**-**	**507**	**21**	**12**	**3,754**	**10,468**
	5,358	*6,146*	*2,003*	*0*	*-*	*13,507*	*1,642*	*1,132*	*506*	*0*	*-*	*3,280*	*10,227*
Computers	**7,936**	**68**	**2,499**	**315**	**-**	**10,188**	**6,209**	**60**	**1,338**	**311**	**-**	**7,296**	**2,892**
	2,833	*4,272*	*1,664*	*833*	*-*	*7,936*	*2,367*	*3,887*	*751*	*797*	*-*	*6,209*	*1,727*
Plant and Equipments	**10,188**	**18**	**896**	**20**	**150**	**10,932**	**7,595**	**12**	**1,063**	**20**	**41**	**8,609**	**2,323**
	3,074	*6,356*	*1,099*	*341*	*-*	*10,188*	*2,017*	*4,736*	*1,145*	*303*	*-*	*7,595*	*2,593*
Furniture and Fixtures	**4,644**	**12**	**299**	**7**	**45**	**4,903**	**3,471**	**10**	**452**	**6**	**11**	**3,916**	**987**
	2,048	*2,365*	*474*	*243*	*-*	*4,644*	*1,411*	*1,813*	*451*	*204*	*-*	*3,471*	*1,173*
Vehicles	**217**	**38**	**21**	**23**	**-**	**253**	**193**	**20**	**17**	**20**	**-**	**210**	**43**
	48	*189*	*18*	*38*	*-*	*217*	*39*	*178*	*14*	*38*	*-*	*193*	*24*
Office Equipments	**976**	**5**	**192**	**3**	**0**	**1,170**	**742**	**4**	**110**	**3**	**0**	**853**	**317**
	552	*337*	*139*	*52*	*-*	*976*	*398*	*299*	*95*	*50*	*-*	*742*	*234*
Leasehold Improvements	**1,035**	**15**	**47**	**4**	**-**	**1,093**	**848**	**13**	**121**	**4**	**-**	**978**	**115**
	758	*745*	*40*	*508*	*-*	*1,035*	*430*	*689*	*169*	*440*	*-*	*848*	*187*
Taken on Finance Lease:													
Plant and Equipments	**167**	**-**	**-**	**-**	**-**	**167**	**167**	**-**	**-**	**-**	**-**	**167**	**-**
	-	*167*	*-*	*-*	*-*	*167*	*-*	*167*	*-*	*-*	*-*	*167*	*-*
Furniture & Fixtures	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	-	*286*	*-*	*286*	*-*	*-*	*-*	*269*	*13*	*282*	*-*	*-*	*-*
Vehicles	**154**	**-**	**-**	**13**	**-**	**141**	**84**	**-**	**33**	**11**	**-**	**106**	**35**
	-	*154*	*11*	*11*	*-*	*154*	*-*	*44*	*43*	*3*	*-*	*84*	*70*
Total	**40,763**	**156**	**5,606**	**453**	**432**	**45,640**	**22,824**	**119**	**3,672**	**396**	**64**	**26,155**	**19,485**
	15,524	*21,719*	*5,832*	*2,312*	*-*	*40,763*	*8,391*	*13,226*	*3,323*	*2,116*	*-*	*22,824*	*17,939*
b Intangible Assets													
Intellectual Property Rights	**76**	**-**	**-**	**-**	**-**	**76**	**76**	**-**	**-**	**-**	**-**	**76**	**-**
	76	*-*	*-*	*-*	*-*	*76*	*76*	*-*	*-*	*-*	*-*	*76*	*-*
Software (other than internally generated)	**1,624**	**253**	**906**	**47**	**-**	**2,736**	**1,227**	**233**	**985**	**34**	**-**	**2,411**	**325**
	199	*1,802*	*1,276*	*1,653*	*-*	*1,624*	*131*	*1,802*	*947*	*1,653*	*-*	*1,227*	*397*
Total	**1,700**	**253**	**906**	**47**	**-**	**2,812**	**1,303**	**233**	**985**	**34**	**-**	**2,487**	**325**
	275	*1,802*	*1,276*	*1,653*	*-*	*1,700*	*207*	*1,802*	*947*	*1,653*	*-*	*1,303*	*397*
c Capital Work-in-Progress													5,511
													2,640

Notes:

i) Depreciation includes accelerated/additional depreciation on certain assets amounting to ₹ Nil (previous year ₹ 182 Million).

ii) In respect of certain freehold lands and buildings, the Company has received a provisional attachment order from the Income tax authorities which has since been stayed by orders passed by the Hon'ble High Court of Andhra Pradesh. (refer note 29.5.2.iii).

iii) Numbers in Italics pertains to previous year.

iv) Includes transactions for the year ended March 31, 2015 pertaining to erstwhile Mahindra Engineering Services Limited (refer note 25).

₹ in Million

	As at March 31, 2015	As at March 31, 2014
Note 12: Non-Current Investments		
(at cost, unless otherwise specified)		
(A) Trade		
(a) In Subsidiaries - unquoted		
170,521,745 Common Stock (previous year 375,000) of US $ 1 each fully paid-up of Tech Mahindra (Americas) Inc. (refer note 35 (i) and 35 (j) and 52)	**11,728**	12
3 Shares of Euro 25,000, 50,000 and 500,000 each and 26000 shares of Euro 1 each, fully paid-up of Tech Mahindra GmbH (refer note i below and 52)	**391**	389
Less : Provision for Diminution (refer note 38 (a))	**354**	354
	37	35
5,000 Equity Shares (previous year 5,000) of SGD 10 each fully paid-up of Tech Mahindra (Singapore) Pte. Limited.	**1**	1
60,000 Equity Shares (previous year 60,000) of THB 100 each fully paid-up of Tech Mahindra (Thailand) Limited.	**8**	8
50,000 Equity Shares (previous year 50,000) of ₹ 10 each fully paid-up of Tech Mahindra Foundation.	**1**	1
500,000 Equity Shares (previous year 500,000) of US $ 1 each fully paid-up of PT Tech Mahindra Indonesia.	**22**	22
312,820 Equity Shares (previous year 312,820) of Ringgit 1 each fully paid-up of Tech Mahindra (Malaysia) SDN. BHD.	**4**	4
Tech Mahindra (Beijing) IT Services Limited (refer note iii below)	**22**	22
500 Equity Shares (previous year 500) of BD 100 each fully paid-up of Tech Mahindra (Bahrain) Limited S.P.C.	**6**	6
153,040,026 Equity Shares (previous year 153,040,026) of Naira 1 each fully paid-up of Tech Mahindra (Nigeria) Limited.	**46**	46
1,000,000 Equity Shares (previous year 1,000,000) of ₹ 10 each fully paid-up of Tech Mahindra Business Services Limited.	**4,873**	4,873
14,675,088 Equity Shares (previous year 14,675,088) of ₹ 10 each fully paid-up of Comviva Technologies Limited (refer note 35 (p))	**2,772**	2,772
51 Equity Shares (previous year 51) of ZAR 1 each fully paid-up of Tech Mahindra South Africa (Pty) Limited.	**0**	0
654,000 Equity Shares (previous year 654,000) of MYR 1 each fully paid-up in Tech Mahindra ICT Services (Malaysia) SDN. BHD.	**12**	12
18,400,279 Shares of Series A Preferred Stock (previous year Nil) of US $ 0.0001 each fully paid in FixStream Networks Inc. (refer note 35 (c))	**604**	-
100 Common Stock (previous year Nil) of US $ 1000 each fully paid of Tech Mahindra IPR Inc. (refer note 35 (a) and 52)	**6**	-
100,000 Common Stock (previous year 100,000) of US $ 0.01 each, fully paid-up of Tech Mahindra Technologies Inc.	**202**	202
Less: Provision for diminution in value of investment (refer note 37)	**178**	178
	24	24

₹ in Million

	As at March 31, 2015	As at March 31, 2014
Note 12: Non-Current Investments (contd)		
33,104,319 Equity Shares (previous year 33,104,319) of ₹ 10 each, fully paid-up of Tech Mahindra BPO Limited	**2,735**	2,735
Less: Provision for diminution in value of investment (refer note 37)	**2,735**	2,735
	-	-
Tech Mahindra (Shanghai) Co. Limited (formerly known as Satyam Computer Services (Shanghai) Co. Limited)(refer note iii below)	**628**	628
Less: Provision for diminution in value of investment (refer note 37)	**283**	283
	345	345
Tech Mahindra (Nanjing) Co. Limited (formerly known as Satyam Computer Services (Nanjing) Co. Limited) (refer note iii below)	**352**	352
Less: Provision for diminution in value of investment (refer note 37)	**311**	311
	41	41
10,500 Nominal Shares (previous year 10,500) of US $ 100 each, partly paid-up of Satyam Computer Services (Egypt) S.A.E (refer note v below and 36 (a))	**11**	11
Less: Provision for diminution in value of investment (refer note 37)	**11**	11
	-	-
11,241,000 Ordinary Shares (previous year 11,241,000) of GBP 0.01 each, fully paid-up of Citisoft Plc.	**1,131**	1,131
Less: Provision for diminution in value of investment (refer note 37 and 39 (a))	**-**	613
	1,131	518
27,888,084 Quotas (previous year 196,856) of Real's 100 each fully paid-up of Tech Mahindra Servicos De Informatica LTDA. (refer note 35 (m) and 52)	**727**	537
Nil (previous year 100%) Membership Interests in vCustomer Services LLC (refer note 35 (j))	**-**	1,020
9,000,000 Equity Shares (previous year 9,000,000) of ₹ 10 each fully paid-up of New vC Services Private Limited	**96**	96
3,544,480 Equity Shares (previous year 3,544,480) of ₹ 10 each fully paid-up of Satyam Venture Engineering Services Private Limited	**36**	36
10,000 Equity Shares (previous year 10,000) of ₹ 10 each fully paid of Mahindra Educational Institutions (refer note 52)	**0**	0
Nil (previous year 247,008,760 Shares) of EUR 0.10 each, fully paid-up of Satyam Computer Services Belgium, BVBA. (refer note 36 (d))	**-**	1,440
Less: Provision for diminution in value of investment	**-**	1,124
	-	316
1 share each of Peso 2999 and Peso 1, fully paid-up of Series A (fixed capital) in Satyam Computer Services De Mexico S.DE R.L.DE C.V. (refer note 35 (b) and 52 (b))	**31**	-
1 share of Peso 6,899,999, fully paid-up of Series B (variable capital) in Satyam Computer Services De Mexico S.DE R.L.DE C.V. (refer note 35 (b) and 52)		
1,065,848 Ordinary fully paid-up shares of EUR 1 each and 27,062 Class A fully paid-up shares of EUR 1 each of Sofgen Holdings Limited (refer note 35 (k))	**918**	-

₹ in Million

	As at March 31, 2015	As at March 31, 2014
Note 12: Non-Current Investments (contd)		
- **Investment acquired on Amalgamation (refer note 25)**		
65,000 Ordinary Shares of GBP 1 each, fully paid-up of Mahindra Engineering Services (Europe) Limited.	**5**	-
59,000 Shares of EUR 1 each, fully paid-up of Mahindra Engineering GmbH.	**3**	-
Less: Provision for diminution in value of investment (refer note 38 (c))	**3**	-
	-	-
105,000 Shares in the Common Stock of USD 10 each, fully paid-up of Mahindra Technologies Services Inc.	**64**	-
Sub-total (a)	**23,560**	10,747
(b) Other Investments		
- **Unquoted**		
- **In Equity Shares:**		
4,232,622 Ordinary Shares (previous year 4,232,622) of GBP 0.002 each fully paid-up of Servista Limited	**1**	1
- **In Preference Shares:**		
1,603,380 E1 Preference Shares (previous year 1,603,380) of GBP 0.002 each fully paid-up of Servista Limited	**54**	54
896,620 E2 Preference Shares (previous year 896,620) of GBP 0.002 each fully paid-up of Servista Limited	**30**	30
	85	85
Less : Provision for Diminution (refer note 38 (b))	**85**	85
	-	-
- **Quoted (refer note vi below)**		
5,147,058 Equity Shares (previous year 5,147,058) of ₹ 10 each, fully paid-up of Dion Global Solutions Limited	**350**	350
Less: Provision for Diminution (refer note 38 (d))	**243**	243
	107	107
Sub-total (b)	**107**	107
(c) Investment in entities which are liquidated/ dissolved		
In subsidiaries - unquoted		
1,000,000 Equity Shares (previous year 1,000,000) of GBP 1 each, fully paid-up of Satyam (Europe) Limited (refer note iv below and 36 (c))	**70**	70
Less: Provision for diminution in value of investment (refer note 37)	**70**	70
	-	-
425,000,000 Common Stock (previous year 425,000,000) of US $ 0.01 each, fully paid-up of Vision Compass, Inc.(refer note iv below and 36 (c))	**899**	899
Less: Provision for diminution in value of investment (refer note 37)	**899**	899
	-	-
700 "A" Shares (previous year 700) of GBP 1 each and 300 "B" Shares (previous year 300) of GBP 1 each, fully-paid of Nitor Global Solutions Limited (refer note iv below and 36 (f))	**139**	139
Less: Provision for diminution in value of investment (refer note 37)	**139**	139
	-	-
247,008,760 Shares of EUR 0.10 each, fully paid-up of Satyam Computer Services Belgium, BVBA. (refer note 36 (d))	**1,124**	-
Less: Provision for diminution in value of investment (refer note 37)	**1,124**	-
	-	-

		₹ in Million	
		As at	
		March 31, 2015	March 31, 2014
Note 12: Non-Current Investments (contd)			
	Other Investments - unquoted		
	334,000 Shares (previous year 334,000) of 'A' Series preferred stock of US $ 0.001 each, fully paid-up of Cormed, Inc. (refer note iv below)	**16**	16
	Less: Provision for diminution in value of investment (refer note 37)	**16**	16
		-	-
	577,917 Class 'A' Units (previous year 577,917) Representing a total value of US $ 540,750 of Avabal, LLC. (refer note iv below)	**25**	25
	Less: Provision for diminution in value of investment (refer note 37)	**25**	25
		-	-
	Sub-total (c)	**-**	-
	Sub total (A) (a+b+c)	**23,667**	10,854
(B)	**In Bonds and Trust Securities - unquoted**		
	TML Benefit Trust	**0**	0
	Interest in TML Benefit Trust (refer note 24)	**12,071**	12,071
	Treasury Bonds and Bills (refer note ii below)	**15**	15
	Investment in TML Odd lot Trust	**0**	0
	New Democratic Electoral Trust (refer note 35 (q))	**0**	-
	National Savings Certificates VIII Series (Lodged as Security with Government Authorities)	**0**	0
	Sub-total (B)	**12,086**	12,086
(C)	**Investment Property (refer note 45 (e))**	**696**	-
	Less : Amortisation	**140**	-
	Sub-total (C)	**556**	-
	Total (A+B+C)	**36,309**	22,940

Note :

i) Includes ₹ 360 Million (previous year: ₹ 360 Million) invested towards capital reserve of the company in accordance with the German Commercial Code.

ii) As per statutory requirements for overseas branches.

iii) Investment in this entity is not denominated in number of shares as per laws of the People's Republic of China.

iv) These companies have been liquidated / dissolved as per the laws of the respective countries. However, the company is awaiting approval from Reserve Bank of India for writing off the investments from the books of the company. The outstanding amounts of investments in these companies have been fully provided.

v) The company is under the process of liquidation.

vi) Details of Investments :

	₹ in Million	
	As at	
	March 31, 2015	March 31, 2014
Aggregate amount of Quoted Investments	**350**	350
Aggregate market value of Quoted Investments	**447**	162
Aggregate amount of Unquoted Investments	**41,880**	29,676
Aggregate amount of Provision for Diminution in value of Investments	**6,476**	7,086

	₹ in Million	
	As at	
	March 31, 2015	March 31, 2014
Note 13: Long-Term Loans and Advances		
(Unsecured, considered good unless otherwise stated)		
- Capital Advances		
Considered Good	**806**	1,266
Considered Doubtful	**7**	8
	813	1,274
Less: Provision	**7**	8
	806	1,266
- Security Deposits		
Considered Good	**1,053**	1,094
Considered Doubtful	**140**	93
	1,193	1,187
Less: Provision	**140**	93
	1,053	1,094
- Advances to Related Parties (refer note 52)		
Considered Good	**416**	296
Considered Doubtful	**417**	417
	833	713
Less: Provision	**417**	417
	416	296
- Loans to Related Parties (refer note 52)	**419**	1,498
- Advance Income Taxes (Net of provisions)	**6,055**	2,997
- Balance with Government Authorities #		
Considered Good	**1,043**	1,696
Considered Doubtful	**12**	62
	1,055	1,758
Less: Provision	**12**	62
	1,043	1,696
- Share Application money given to subsidiaries (refer note 52)		
Considered Good	**-**	-
Considered Doubtful	**66**	66
	66	66
Less: Provision	**66**	66
	-	-
- Prepaid Expenses	**572**	559
- Fair Values of Foreign Exchange Forward and Currency Option Contracts (net) (refer note 48)	**401**	-
- Others		
Considered Good	**-**	-
Considered Doubtful	**199**	199
	199	199
Less: Provision	**199**	199
	-	-
	10,765	9,406

mainly pertains to Service Tax and VAT.

	₹ in Million	
	As at	
	March 31, 2015	March 31, 2014
Note 14: Other Non-Current Assets		
- Trade Receivables # (Unsecured)		
Considered Good	**-**	-
Considered Doubtful	**2,499**	2,749
	2,499	2,749
Less: Provision	**2,499**	2,749
	-	-
- Lease Receivable		
Considered Good	**-**	-
Considered Doubtful (refer note 46)	**231**	231
	231	231
Less : Provision (refer note 46)	**231**	231
	-	-
- Fixed Deposits / Margin Money Deposits having maturities of more than 12 months from the Balance Sheet date	**-**	143
- Interest Receivable		
- Interest Accrued on Bank Deposits	**-**	14
- Others #	**1**	0
	1	157
# Refer note 52		
Note 15: Current Investments		
- **Current portion of Long Term Investment - unquoted**		
833,333 Shares (previous year 833,333) of USD 0.20 each, fully paid-up of Upaid Systems Limited #	**109**	109
Less: Provision for Diminution in value of Investment	**109**	109
	-	-
- **Investment in Mutual Funds - unquoted**		
(at cost or fair value whichever is lower)		
13,087,874 Units of ₹ 38.20 each of JM High Liquidity Fund - Direct - Growth	**500**	-
3,619,297 Units of ₹ 193.41 each of ICICI Prudential Money Market Fund - Direct Plan - Growth	**700**	-
211,456 Units of ₹ 2,837.47 each of Kotak Liquid Scheme Plan A - Direct Plan - Growth	**600**	-
22,493,824 Units of ₹ 22.35 each of Kotak Treasury Advantage Fund - Direct Plan - Growth	**503**	-
5,509,660 Units of ₹ 29.04 each of Reliance Medium term Fund - Direct Growth Plan - Growth Option	**160**	-
219,976 Units of ₹ 3,409.45 each of Reliance Liquid Fund - Treasury Plan - Direct Growth Plan - Growth Option	**750**	-
124,669 Units of ₹ 1,604.25 each of Baroda Pioneer Liquid Fund - Plan B - Growth	**200**	-
187,835 Units of ₹ 1,597.14 each of Baroda Pioneer Treasury Advantage Fund - Plan B - Growth	**300**	-

₹ in Million

	As at March 31, 2015	As at March 31, 2014
Note 15: Current Investments (contd)		
15,821,282 Units of ₹ 22.12 each of IDFC Money Manager Fund - Treasury Plan - Growth - (Direct Plan)	**350**	-
394,220 Units of ₹ 1,280.61 each of Axis Banking Debt Fund - Direct Growth	**505**	-
	4,568	-
Provision for Diminution in Value of Current Investments	**-**	-
	4,568	-
Aggregate Amount of Unquoted Investments	**4,677**	109
Aggregate amount of Provision for Diminution in value of Investments	**109**	109

\# In terms of the Settlement Agreement with Upaid Systems Limited, the Company has exchanged all shares it holds in Upaid Systems Limited for consideration received and awaits approval from Reserve Bank of India for adjusting the same against the cost of investment.

	March 31, 2015	March 31, 2014
Note 16: Trade Receivables		
- Trade Receivables # (Unsecured)		
Over Six Months from the date they were due for payment		
Considered Good*	**3,132**	2,505
Considered Doubtful (refer note 46)	**3,167**	2,380
Others		
Considered Good**	**39,276**	36,773
Considered Doubtful	**3**	636
	45,578	42,294
Less: Provision for Doubtful Receivables (refer note 46)	**3,170**	3,016
	42,408	39,278

\# refer note 52

* Net of remittances received aggregating to ₹ 812 Million (previous year: ₹ 1,108 Million) pending adjustments against invoices.

** Net of remittances received aggregating to ₹ 2,436 Million (previous year: ₹ 1,505 Million) pending adjustments against invoices.

	₹ in Million	
	As at	
	March 31, 2015	March 31, 2014
Note 17: Cash and Bank Balances		
- **Cash and Cash Equivalents**		
Funds in Transit	**294**	-
Balances with Banks		
In Current Accounts	**5,117**	10,637
In Deposit Accounts	**1,600**	-
Sub total (a)	**7,011**	10,637
- **Other Bank Balances**		
In Deposit Accounts (refer note 1 below)	**6,078**	12,889
Earmarked Balances with Banks		
Unclaimed Dividend	**38**	37
Balances held as Margin Money / Security towards obtaining Bank Guarantees (refer note 2 below)	**5,054**	4,523
Balance held under Escrow Account	**14**	177
Sub total (b)	**11,184**	17,626
Total (a) + (b)	**18,195**	28,263

Notes:

1. Certain fixed deposits of the Company then aggregating to ₹ 8,220 Million were provisionally attached vide Order dated October 18, 2012 by the Directorate of Enforcement (ED) ("the Order"). The Hon'ble High court of Andhra Pradesh ("the Court") had, pending further orders, granted stay of the said Order and all proceedings thereto vide its order dated December 11, 2012. The ED had challenged the interim order passed by the Single Judge before the Division Bench of the Court. During the quarter ended December 31, 2014, the Hon'ble High court upon hearing the matter, has dismissed the Appeal filed by ED and continued the Stay granted by the Single Judge vide its order dated December 31, 2014. (refer note 26.3). Fixed Deposits initially attached aggregated to ₹ 8,220 Million, of which ₹ 2,142 Million have been redeemed pursuant to the order passed on December 31, 2014. Certain banks have not released the attachment of the deposits and matter is being pursued legally.
2. Balances held as margin money/ security towards obtaining bank guarantees includes certain fixed deposits of the Company aggregating ₹ 4,737 Million which have been kept as margin money/ security towards obtaining the bank guarantee towards president of India through the Assistant Commissioner of the Income tax, Mumbai (refer note 29.5.2.iii)

₹ in Million

	As at March 31, 2015	As at March 31, 2014
Note 18: Short-Term Loans and Advances		
(Unsecured, considered good unless otherwise stated)		
- Advances to Related Parties (refer note 52)	**1,007**	502
- Loans to Related Parties (refer note 52)	**363**	300
- Loans and Advances to Employees		
Considered Good	**234**	455
Considered Doubtful	**82**	99
	316	554
Less: Provision	**82**	99
	234	455
- Balance with Government Authorities	**8,190**	5,454
- Prepaid Expenses	**1,765**	1,653
- Fair Values of Foreign Exchange Forward and Currency Option Contracts (net) (refer note 48)	**364**	-
- Others#		
Considered Good	**5,529**	5,116
Considered Doubtful	**193**	169
	5,722	5,285
Less : Provision	**193**	169
	5,529	5,116
# Others mainly include		
- Amount deposited and held in escrow account ₹ 3,628 Million (previous year ₹ 3,628 Million) (USD 68.16 Million) towards Aberdeen UK settlement consideration and interest.(refer note 28)		
- Includes amount deposited and held in escrow account ₹ 648 Million (previous year ₹ 648 Million) (USD 12 Million) towards Aberdeen US claims settlement consideration. (refer note 27)		
- Includes amount deposited and held in initial escrow account ₹ 265 Million (previous year ₹ 265 Million) towards class action settlement consideration.		
	17,452	13,480
Note 19: Other Current Assets		
(Unsecured, considered good unless otherwise stated)		
- Unbilled Revenue # (net of provision of ₹ Nil (previous year ₹ 3 Million))	**12,000**	8,808
- Interest Accrued on Deposits	**86**	585
- Contractually Reimbursable Expenses #		
Considered Good	**180**	390
Considered Doubtful	**26**	47
	206	437
Less : Provision	**26**	47
	180	390
	12,266	9,783

Refer note 52

₹ in Million

	For the Year Ended	
	March 31, 2015	March 31, 2014
Note 20: Other Income (net)		
- Interest on:		
Deposit with Banks	**1,418**	1,924
Others	**95**	21
	1,513	1,945
- Foreign Exchange Gain / (Loss) - (net)	**(2,001)**	(2,427)
- Rent Income	**242**	179
- Dividend Income on Current Investments	**168**	59
- Dividend Income from subsidiary (refer note 52)	**153**	-
- Sundry Balances Written Back	**483**	433
- Provision of non-current investments no longer required (refer note 36 (d) and 36 (g))	**12**	217
- Miscellaneous Income	**675**	297
	1,245	703
Note 21: Employee Benefits Expense		
- Salaries and Incentives	**65,344**	64,505
- Contribution to Provident and Other Funds (refer note 40)	**3,346**	3,515
- Gratuity (refer note 40)	**325**	60
- Employee Stock Compensation Cost (net) (refer note 54)	**2,268**	1,312
- Staff Welfare Expenses	**729**	323
	72,012	69,715
Note 22: Finance Costs		
- Interest Expense:		
On Debentures and Long Term Loans	**14**	320
On Short Term Loans and Cash Credit	**42**	56
On Inter-Corporate Deposits	**-**	126
Others #	**30**	269
	86	771
- Foreign Currency Translations	**-**	97
	86	868
# includes interest on taxes ₹ Nil (previous year ₹ 124 Million)		
Note 22 A : Depreciation and Amortization Expense		
Depreciation / Amortisation on Fixed Assets (refer note 11)	**4,657**	4,270
Amortisation on Investment Property (refer note 12)	**76**	-
	4,733	4,270

₹ in Million

	For the Year Ended	
	March 31, 2015	March 31, 2014
Note 23: Other Expenses		
- Power and Fuel	**1,192**	1,204
- Rent	**1,456**	1,394
- Rates and Taxes	**343**	211
- Communication Expenses	**1,380**	1,203
- Travelling Expenses	**5,158**	6,160
- Recruitment Expenses	**367**	326
- Training	**304**	180
- Hire Charges	**779**	633
- Professional and Legal Fees (refer note 41)	**1,457**	1,148
- Repairs and Maintenance :		
Buildings (Including Leased Premises)	**151**	152
Machinery and Computers	**1,463**	1,033
Others	**296**	305
	1,910	1,490
- Insurance	**1,159**	1,266
- Software, Hardware and Project Specific Expenses	**3,733**	3,994
- Claims and Warranties (Net) (refer note 50)	**118**	102
- Advertising, Marketing and Selling Expenses	**874**	933
- General Office Expenses	**1,189**	1,070
- (Profit) / Loss on Sale of Fixed Assets (Net)	**23**	(104)
- Provision for Impairment in Non-Current Investment (refer note 38 (d))	**-**	243
- Provision for Doubtful Receivables, Unbilled Revenue and Bad Debts written off		
Provided during the year	**1,282**	2,477
Bad Debts written off	**690**	321
Less: Provision reversed during the year	**1,400**	1,644
	571	1,154
- Provision for Doubtful Advances, Deposits and Advances written off		
Provided during the year	**142**	250
Advances written off	**84**	190
Less: Provision reversed during the year	**118**	193
	108	246
- Cash Discount	**393**	287
- Donation	**10**	-
- CSR Expenditure	**532**	348
- Miscellaneous Expenses	**111**	123
	23,167	23,611

Notes on Accounts:

24. Scheme of Amalgamation and Arrangement:

Pursuant to the Scheme of Amalgamation and Arrangement (the "Scheme") sanctioned by the Honourable High Court of Andhra Pradesh vide its order dated June 11, 2013 and the Honourable High Court of Judicature at Bombay vide its order dated September 28, 2012, Venturbay Consultants Private Limited ("Venturbay"), CanvasM Technologies Limited ("CanvasM") and Mahindra Logisoft Business Solutions Limited ("Logisoft"), the wholly owned subsidiaries of the Company, and Satyam Computer Services Limited ("Satyam") an associate of the Company (through Venturbay) and C&S System Technologies Private Limited (C&S) a wholly owned subsidiary of erstwhile Satyam, merged with the Company with effect from April 1, 2011 (the "appointed date"). The Scheme came into effect on June 24, 2013, the day on which both the orders were delivered to the Registrar of the Companies, and pursuant thereto the entire business and all the assets and liabilities, duties and obligations of Satyam, Venturbay, CanvasM, Logisoft and C&S have been transferred to and vested in the Company with effect from April 1, 2011.

In accordance with the Scheme, the investments held in the respective subsidiaries and associate have been cancelled and the Company has issued 2 equity shares of ₹ 10 each fully paid-up in respect of every 17 equity shares of ₹ 2 each in the equity share capital of Satyam, aggregating 103 Million equity shares.

The Company transferred, out of its total holding in Satyam as on April 1, 2011, 204 Million equity shares to a Trust, to hold the shares and any additions or accretions thereto exclusively for the benefit of the Company. The balance shares held by the Company in Satyam have been cancelled.

As the other amalgamating companies i.e. Venturbay, Logisoft, CanvasM and C&S were wholly owned subsidiaries of the Company / Satyam, as applicable, no equity shares were exchanged to effect the amalgamation in respect thereof.

These amalgamations with the Company are non-cash transactions.

24.1 General nature of business of the amalgamating companies:

- Satyam is leading information, communications and technology (ICT) company providing a range of business consulting, information technology and communication services to companies across multiple industries and geographies.
- Venturbay is engaged in providing programming and software solutions, information technology, networking and consultancy services.
- CanvasM is engaged in the business of information technology (IT) and software services relating to developing, improving, designing, assembling, marketing, and allied activities including dealing in all types of computer programming, system software, data processing and warehousing, data base management systems and interactive multimedia and peripheral products.
- Logisoft is engaged in the business of information technology services relating to design and development of dealership management systems and IT software services.
- C&S is engaged in the business of providing information technology (IT) and software services relating to solutions and consultation in the space of learning management, communications and collaborations management, document and workflow management, eSecurity, identity, access and building management, managed services, etc.

The amalgamating companies operating in specialized domains of the information technology as indicated above, amalgamating the business in a single entity provides for consolidating the information technology business bringing in synergy benefits, enhanced depth and breadth of capabilities, attain efficiencies and reduce overall cost.

24.2 Accounting treatment of the amalgamation

The amalgamation is accounted under the 'pooling of interest' method as per Accounting Standard 14 as notified under Section 211(3C) of the Companies Act, 1956 and as modified under the Scheme as under:

- All assets and liabilities (including contingent liabilities), reserves, benefits under income tax, benefits for and under special economic zone registrations, duties and obligations of Satyam, Venturbay, CanvasM, Logisoft and C&S have been recorded in the books of account of the Company at their existing carrying amounts and in the same form.

- The amount of Share Capital of Venturbay, CanvasM, Logisoft, Satyam and C&S have been adjusted against the corresponding investment balances held by the Company in the amalgamating companies and the equity shares issued by the Company pursuant to the Scheme and the excess of investments (gross) over the Share Capital, as given below, have been adjusted to reserves ("Amalgamation Reserve").

  Accordingly, the amalgamation has resulted in transfer of assets and liabilities in accordance with the terms of the Scheme at the following summarised values:

(₹ **in Million**)

Particulars	**Amount**
Fixed Assets (net)	8,493
Capital Work in Progress	2,252
Non-Current Investments	32,525
Deferred Tax Asset	1,681
Current Investments	-
Trade Receivables	16,934
Cash and cash equivalents	21,004
Other cash and bank balances	6,400
Loans and Advances (long term and short term)	20,920
Liabilities and provisions (long term and short term)	(37,025)
Long-Term and Short-Term Borrowings	(215)
Net Assets	72,969

Net difference between Investments and share capital of amalgamating companies	(1,357)
Add: Equity shares issued pursuant to the scheme of amalgamation	1,035
Debit balance in statement of profit and loss as of April 01, 2011	2,811
Debit balance in Amalgamation reserve	2,489

- Further, in accordance with the Scheme, the debit balance in the Amalgamation Reserve as of April 1, 2011, if any, pursuant to the amalgamation have been adjusted against the securities premium account. The application and reduction of the securities premium account is effected as an integral part of the sanctioned Scheme which is also deemed to be the order under Section 102 of the Companies Act, 1956 (the "Act") confirming the reduction. Accordingly, the aforesaid balance in Amalgamation Reserve aggregating ₹ 2,489 Million as of April 1, 2011 has been adjusted against the securities premium account.

  The Board of erstwhile Satyam had for the year ended March 31, 2013 proposed a dividend of ₹ 0.60 per equity share amounting to ₹ 826 Million (including dividend tax thereon), which was provided for in its financial statements for the year ended March 31, 2013. Since the merger has become effective on June 24, 2013, the dividend could not be approved by the shareholders in the AGM which was scheduled to be held on August 2, 2013. Erstwhile Satyam shareholders, who have been issued TechM shares in the ratio of 2 shares in TechM for 17 shares in erstwhile Satyam, became entitled to dividend of ₹ 5 per share. As shares of erstwhile Satyam held by Venturbay are cancelled on the merger, there is an excess provision of dividend of ₹ 217 Million, relating to the said shares of Venturbay that have been cancelled, which has been reversed from the proposed dividend.

The Board of Directors in its meeting held on June 25, 2013 had fixed July 5, 2013 as the Record Date for determining the shareholders of erstwhile Satyam who would be entitled to receive shares of the Company in the ratio of 2 equity Shares of ₹ 10/- each fully paid-up in respect of 17 equity shares of ₹ 2/- each fully paid-up of erstwhile Satyam in accordance with approved Scheme of Amalgamation and Arrangement. On July 6, 2013, the Securities Allotment Committee of the Board of Directors of the Company have allotted 103,485,396 equity shares of face value of ₹ 10/- each fully paid-up of the Company to the shareholders of erstwhile Satyam ranking *pari-passu* in all respects with the existing equity shares of the Company.

24.3 Other adjustments / matters arising out of amalgamation

In terms of the Scheme, the appointed date of the amalgamation being April 1, 2011, net profit from the amalgamating companies during the financial years 2011-12 and 2012-13 aggregating ₹ 19,735 Million has been transferred, to the extent not accounted already, to the Surplus in Statement of Profit and Loss in the books of the Company upon amalgamation.

24.4 Pursuant to the Scheme, the title deeds for the immovable properties pertaining to the amalgamating companies are pending conveyance in the name of the Company. Further, the Company has initiated the name change formalities to transfer the title in respect of the other properties, contracts etc.

24.5 Appeals against the order sanctioning the Scheme

Appeals against the order by the single judge of the Honourable High Court of Andhra Pradesh approving the Scheme of merger have been filed by 37 companies before the Division Bench of the Honourable High Court of Andhra Pradesh. No interim orders have been passed and the appeals are pending hearing.

One of the said company has also appealed against the order of the single judge rejecting the Petition for winding up of erstwhile Satyam. The matter has been combined with the above appeals for hearing.

25. Scheme of Amalgamation and Arrangement of Mahindra Engineering Services Limited (MESL):

Pursuant to the Scheme of Amalgamation and Arrangement (the "Scheme") sanctioned by the Honourable High Court of Bombay vide its order dated October 31, 2014, Mahindra Engineering Services Limited ("MESL"), merged with the Company with effect from April 1, 2013 (the "appointed date"). The Scheme came into effect on December 8, 2014, the day on which the order was delivered to the Registrar of the Companies, and pursuant thereto the entire business and all the assets and liabilities, duties, taxes and obligations of MESL have been transferred to and vested in the Company with effect from April 1, 2013.

In accordance with the Scheme approved by the Honourable High Court of Bombay, the Company has, in December, 2014, issued 5 equity shares of ₹ 10 each fully paid-up in respect of every 12 equity shares of ₹ 10 each outstanding in the equity share capital of MESL, aggregating to 4,259,011 equity shares as purchase consideration to the existing shareholders of MESL.

25.1 General nature of business of the amalgamating company

MESL is engaged in the business of rendering engineering services in relation to designing and developing parts, components, systems and aggregates relating to the automotive sector.

The amalgamating company operating in specialized domain of rendering engineering services as indicated above, amalgamating the business in a single entity provides for bringing in synergy benefits, single 'go-to-market' strategy, benefits of scale, enhanced depth and breadth of capabilities, standardization and simplification of business processes, attain efficiencies and reduce overall cost.

25.2 Accounting treatment of the amalgamation

The amalgamation is accounted under the 'pooling of interest' method as per Accounting Standard 14 as specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and as modified under the Scheme as under:

- All assets, liabilities and reserves, including the surplus in the statement of Profit and Loss of MESL have been recorded in the books of account of the Company at their respective carrying amounts and in the same form.
- In accordance with the Scheme sanctioned by the Honourable High Court of Bombay, the Company has, on December 20, 2014, issued 5 equity shares of ₹ 10 each fully paid-up in respect of every 12 equity shares of ₹ 10 each outstanding in the equity share capital of MESL, aggregating to 4,259,011 equity shares as purchase consideration to the existing shareholders of MESL ranking *pari-passu* in all respects with the existing equity shares of the Company.
- The difference between face value of equity shares issued by the Company pursuant to the Scheme and the amount of share capital of the amalgamating company, have been adjusted to Reserves of the transferee company.
- Accordingly, the amalgamation has resulted in transfer of assets and liabilities in accordance with the terms of the Scheme at the following summarized values:

(₹ **in Million**)

Particulars	**Amount**
Fixed Assets (net)	57
Non-Current Investments	68
Deferred Tax Asset	27
Current Investments	637
Trade Receivables	287
Cash and Bank Balances	753
Other Current Assets	86
Loans and Advances (long term and short term)	447
Liabilities and provisions (long term and short term)	(409)
Net Assets	1,953

Equity Share capital of amalgamating company	(102)
Equity shares issued by Tech Mahindra Limited pursuant to the scheme	42
Capital Reserve (credit balance)	(60)

25.3 Other adjustments / matters arising out of amalgamation

In terms of the Scheme, the appointed date of the amalgamation being April 1, 2013, net profit from the amalgamating company (aggregating to ₹ 428 Million) and movements in other components of reserves and surplus during the financial year 2013-14 has been transferred, to the extent not accounted already, at their respective carrying amounts and in the same form in the books of the Company upon amalgamation.

Accordingly, the figures for the year ended March 31, 2015 are after giving effect to the merger, while the comparative figures are before giving effect to the merger and, hence are not comparable.

25.4 Pursuant to the Scheme, the title deeds for the properties pertaining to the amalgamating company are pending conveyance in the name of the Company. Further, the Company has initiated the name change formalities to transfer the title in respect of the contracts, agreements, etc.

26. Certain matters relating to investigations pertaining to erstwhile Satyam Computer Services Limited (erstwhile Satyam):

26.1 Investigation by authorities in India

In the letter of January 7, 2009 (the "letter") of Mr. B. Ramalinga Raju, the then Chairman of erstwhile Satyam, admitted that the Balance Sheet of erstwhile Satyam as at September 30, 2008 carried an inflated cash and bank balances, non-existent accrued interest, an understated liability and an overstated debtors position. Consequently, various regulators / investigating agencies such as the Central Bureau of Investigation (CBI), Serious Fraud Investigation Office (SFIO) / Registrar of Companies (ROC), Directorate of Enforcement (ED), etc., had initiated their investigation on various matters. On April 09, 2015, the Special Session Court in its judgment has sentenced rigorous imprisonment to B. Ramlinga Raju including others for offence punishable under various sections of Indian Penal Code.

On May 22, 2013, the ED has issued a show-cause notice to erstwhile Satyam for contravention of provisions of the Foreign Exchange Management Act, 1999 (FEMA) for alleged non-repatriation of ADS proceeds aggregating USD 39.2 Million. The Company has responded to the show-cause notice.

Certain agencies viz., SFIO and ED, pursuant to the matters stated above, had conducted inspections and issued notices calling for information from certain subsidiaries which have been responded / in the process of being responded to. In furtherance to the investigation of erstwhile Satyam, certain Regulatory Agencies in India sought assistance from Overseas Regulators and accordingly, sought information from certain overseas subsidiaries.

As per the assessment of the Management, based on the forensic investigation and the information available up to this stage, all identified / required adjustments / disclosures arising from the identified financial irregularities, had been made in the financial statements of erstwhile Satyam as at March 31, 2009.

Considerable time has elapsed after the initiation of investigation by various agencies and erstwhile Satyam had not received any further information as a result of the various ongoing investigations against erstwhile Satyam which required adjustments to the financial statements.

Further, in the opinion of the Management, no new claims have been made when the Andhra Pradesh High Court considered and approved the merger, which need any further evaluation / adjustment / disclosure in the books, and all existing claims have been appropriately dealt with / recorded / disclosed in the books based on their current status.

Considering the above, notwithstanding the pendency of the various investigations/ proceedings, the Management is of the view that the above investigations / proceedings would not result in any additional material provisions / write-offs / adjustments (other than those already provided for, written-off or disclosed) in the financial statements of the Company.

26.2 Forensic investigation and nature of financial irregularities

Consequent to the aforesaid letter, the Government nominated Board of Directors of erstwhile Satyam appointed an independent counsel ("Counsel") to conduct an investigation of the financial irregularities. The Counsel appointed forensic accountants to assist in the investigation (referred to as "forensic investigation") and preparation of the financial statements of erstwhile Satyam.

The forensic investigation conducted by the forensic accountants investigated accounting records to identify the extent of financial irregularities and mainly focused on the period from April 1, 2002 to September 30, 2008, being the last date up to which erstwhile Satyam published its financial results prior to the date of the letter. In certain instances, the forensic accountants conducted investigation procedures outside this period.

The forensic investigation had originally indicated possible diversion aggregating USD 41 Million from the proceeds of the American Depositary Shares (ADS) relating to erstwhile Satyam. The amount was revised to USD 19 Million based on the further details of utilisation of ADS proceeds obtained by erstwhile Satyam.

The overall impact of the fictitious entries and unrecorded transactions arising out of the forensic investigation, to the extent determined was accounted in the financial statements for the financial year ended March 31, 2009 of erstwhile Satyam.

Based on the forensic investigation, an aggregate amount of ₹ 11,393 Million (net debit) was identified in the financial statements of erstwhile Satyam as at March 31, 2009 under "Unexplained differences suspense account (net)" comprising of fictitious assets, unrecorded loans or where complete information is not available. On grounds of prudence, these amounts had been provided for by erstwhile Satyam in the financial year ended March 31, 2009 and since there is no further information available with the Management even after the lapse of more than four years, the said amount has been completely written off in the books of account of the Company during the year ended March 31, 2014.

The forensic investigation was unable to identify the nature of certain alleged transactions aggregating ₹ 12,304 Million (net receipt) against which erstwhile Satyam had received legal notices from 37 companies claiming repayment of this amount which was allegedly given as temporary advances. Refer note 26.3 below.

26.3 Alleged Advances

Consequent to the letter of the erstwhile Chairman, on January 8, 2009, the erstwhile Satyam received letters from thirty seven companies requesting confirmation by way of acknowledgement for receipt of certain alleged amounts referred to as "alleged advances". These letters were followed by legal notices from these companies dated August 4/5, 2009, claiming repayment of ₹ 12,304 Million allegedly given as temporary advances. The legal notices also claim damages/ compensation @18% per annum from date of advance till date of repayment. The erstwhile Satyam has not acknowledged any liability to any of the thirty seven companies and has replied to the legal notices stating that the claims are legally untenable.

The 37 companies had filed petitions / suits for recovery against the erstwhile Satyam before the City Civil Court, Secunderabad ("Court"), with a prayer that these companies be declared as indigent persons for seeking exemption from payment of requisite court fees.

One petition where court fees have been paid and the pauper petition converted into a suit which is pending disposal and petitions filed by remaining 36 companies are before the Court, at various stages of rejection of pauperism / trial of pauperism / inquiry in condone delay applications.

The remaining petitions are at a preliminary stage before the Court, for considering condonation of delay in re-submission of pauper petitions. In one petition, the delay had been condoned by the Court and the Company has obtained an interim stay order from the Honourable High Court of Andhra Pradesh. The Hon'ble High Court after hearing the parties has remanded the matter to the lower directing to consider the application afresh.

The erstwhile Satyam had received legal notices from nearly all of the above companies, calling for payment of the amounts allegedly advanced by them (including interest and damages), failing which they would be constrained to file a petition for winding up the affairs of Satyam. In pursuance thereof, one of the aforesaid companies filed a winding up petition that was dismissed by the High Court. Against the said order of dismissal, the aforementioned company has filed an appeal before the Division Bench of High Court of Andhra Pradesh which is pending hearing.

Furthermore, even in connection with the merger proceedings, the erstwhile Satyam had received letters from the aforesaid companies claiming themselves to be "creditors". They had pleaded inter-alia before the High Court (hearing the merger petition of the erstwhile Satyam with the Company) that the mandatory provisions governing the scheme under the Companies Act, 1956 have not been complied with in so far as convening a meeting of the creditors is concerned. They contended that without convening a meeting of the creditors and hearing their objections, the merger scheme could not be proceeded with.

The High Court based on the report of an independent firm of Chartered Accountants appointed by the Court and the contentions of the erstwhile Satyam, held inter-alia, in its order approving the merger of the erstwhile Satyam with the Company, that the contention of the 37 companies that Satyam is retaining the money of the "creditors" and not paying them does not appear to be valid and further held that any right of the objecting creditors can be considered only if the genuineness of the debt is proved beyond doubt which is not so in this case.

The High Court in its order, further held that in the absence of Board resolutions and documents evidencing acceptance of unsecured loans by the former management of the erstwhile Satyam, the new management of the erstwhile Satyam is justified in not crediting the amounts received in their names and not showing them as creditors and further reflecting such amounts as Amounts pending investigation suspense account (net).

The Directorate of Enforcement (ED) is investigating the matter under the Prevention of Money Laundering Act, 2002 ("PMLA") and directed the erstwhile Satyam to furnish details with regard to the alleged advances and has also directed it not to return the alleged advances until further instructions from the ED. In furtherance to the investigation by the ED, the erstwhile Satyam was served with a provisional attachment order dated October 18, 2012 issued by the Joint Director, Directorate of Enforcement, Hyderabad under Section 5(1) of the PMLA ("the Order"), provisionally attaching certain Fixed Deposit accounts of the Company then aggregating to ₹ 8,220 Million for a period of 150 days. As stated in the Order, the investigations of the ED revealed that ₹ 8,220 Million constitutes "proceeds of crime" as defined in the PMLA. The erstwhile Satyam had challenged the Order in the Honourable High Court of Andhra Pradesh ("the Writ"). The Honourable High Court of Andhra Pradesh ("the High Court") has, pending further orders, granted stay of the said Order and all proceedings pursuant thereto vide its interim order dated December 11, 2012. The ED had challenged the interim order before the Division Bench of the Honourable High Court of Andhra Pradesh. By an order dated December 31, 2014, the Hon'ble High court has dismissed the Appeal filed by ED and continued the stay granted.

The criminal case has been commenced before the "Honourable XXI Additional Chief Metropolitan Magistrate, Hyderabad cum Special Sessions Court" by the Enforcement Directorate under the Prevention of Money Laundering Act, 2002 against erstwhile Satyam, since merged with the Company, along with 212 Accused persons. In the complaint, ED has alleged that the Company has been involved in the offence of money laundering by possessing the proceeds of crime and projecting them as untainted. The Company had challenged the above complaint before the Honourable High Court of Hyderabad and the Hon'ble High court has quashed the criminal complaint against the Company vide its order dated December 22, 2014. On appeal, the Divisional Bench of the High Court, however passed an interim order allowing the hearing for framing 'Charges'. On Special Leave Petition before the Supreme Court of the India, the Hon'ble Supreme Court directed the Hon'ble High Court of Andhra Pradesh to dispose of the writ appeal within a period of four months and further directed the trial court to defer the trial till the Hon'ble High Court of Andhra Pradesh disposes of the writ appeal.

In view of the aforesaid developments and also based on legal opinion, the erstwhile Satyam's management's view, which is also the Company's Management's view, that the claim regarding the repayment of "alleged advances" (including interest thereon) of the 37 companies are not legally tenable has been reinforced.

However, notwithstanding the above, pending the final outcome of the recovery suit filed by the 37 companies in the City Civil Court and the ED matter under the PMLA pending before the High Court, the Company, as a matter of prudence, at this point of time, is continuing to classify the amounts of the alleged advances as "Amounts Pending Investigation Suspense Account (net)", and the same would be accordingly dealt with / reclassified as and when appropriate.

26.4 Documents seized by CBI/other authorities

Pursuant to the investigations conducted by CBI / other authorities, most of the relevant documents in possession of erstwhile Satyam relating to period affected by the financial irregularities were seized by the CBI. On petitions filed by erstwhile Satyam, the ACMM granted partial access to it including for taking photo copies of the relevant documents as may be required in the presence of the CBI officials. Further, there were also certain documents which were seized by other authorities such as the Income Tax Authorities, of which erstwhile Satyam could only obtain photo copies.

26.5 Management's assessment of the identified financial irregularities

As per the assessment of the Management, based on the forensic investigation and the information available upto this stage, all identified / required adjustments / disclosures arising from the identified financial irregularities, had been made in the financial statements of erstwhile Satyam as at March 31, 2009.

Considerable time has elapsed after the initiation of investigation by various regulators / agencies and the erstwhile Satyam has not received any further information as a result of the various ongoing investigations against the erstwhile Satyam which requires adjustments to the financial statements.

Further, in the opinion of the Management, no new claims have been made when the Andhra Pradesh High Court considered and approved the merger, which need any further evaluation / adjustment / disclosure in the books, and all existing claims have been appropriately dealt with / recorded / disclosed in the books based on their current status.

Considering the above, notwithstanding the pendency of the various investigations / proceedings, the Management is of the view that the above investigations / proceedings would not result in any additional material provisions / write-offs / adjustments (other than those already provided for, written-off or disclosed) in the financial statements of the Company.

27. Aberdeen action (USA)

On November 13, 2009, a trustee of two trusts that are purported assignees of the claims of twenty investors who had invested in the erstwhile Satyam's ADS and common stock, filed a complaint against erstwhile Satyam, its former auditors and others (the "Action") alleging the losses suffered by the twenty investors (Claimants) is over USD 68 Million.

On July 27, 2012, the erstwhile Satyam entered into an Agreement of Settlement ("the Settlement") with Aberdeen Claims Administration, Inc., the trustee for the two trusts and twenty underlying investors.

The obligations incurred pursuant to the Settlement are in full and final disposition of the Action and the appropriate consent order of the Court in the Southern District of New York has been received on July 30, 2012. In terms of the Settlement, erstwhile Satyam has deposited in an Escrow Account an amount of USD 12 Million ("Settlement Amount") during the financial year ended March 31, 2013. Remittance out of the Escrow is subject to determination of appropriate withholding tax by the Authority for Advance Ruling (AAR).

28. Aberdeen (UK) complaint

In April 2012, erstwhile Satyam was served with an Amended Claim Form and Amended Particulars of claim dated December 22, 2011, initiating proceedings in the Commercial Court in London ("the English Court") by Aberdeen Asset Management PLC on behalf of 23 "Claimants" who are said to represent 30 funds who had invested in the Company's common stock that traded on the exchanges in India. On December 12, 2012, the Company entered into a confidential Settlement Agreement ("the Settlement") settling claims brought in the English Court by Aberdeen Global and twenty-two other funds (collectively, the "Claimants") managed by Aberdeen Asset Management PLC ("Aberdeen") and/or its subsidiaries (the "Claims"). The Claims included certain allegations of fraudulent misrepresentations said to have been made by the former management of erstwhile Satyam in London and relied upon by the Claimants' investment manager and/ or communicated in meetings alleged to have taken place in London. The Claimants have claimed that they have suffered losses of an estimated sum of USD 298 Million and additional consequential losses. By virtue of the Settlement, the Claims have been fully and finally disposed off on the basis of, inter-alia, for a payment to be made by the Company of USD 68 Million ("Settlement Amount").

In terms of the Settlement, erstwhile Satyam has deposited a total amount of USD 68.16 Million towards the Settlement Amount and interest in an Escrow Account during financial year ended March 31, 2013. Remittance out of the Escrow is subject to determination of appropriate withholding tax by the Authority for Advance Ruling (AAR).

29. Commitment and Contingencies

29.1 Capital Commitments

i. The estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for as at March 31, 2015 is ₹ 5,821 Million (March 31, 2014: ₹ 9,441 Million).

ii. In respect of land, refer note 31(c).

29.2 Purchase commitments In respect of investments

i. On July 2, 2014, the Company entered in to a joint venture agreement with Midad Holdings in Saudi Arabia. As per agreement, the Company will hold 51% stake in that entity i.e. Tech Mahindra Arabia. The said entity is yet to be incorporated as at March 31, 2015.

ii. Sofgen Holdings Limited (Refer note 35 (k))

iii. Avion Networks Inc. (Refer note 35 (o))

iv. On April 25, 2015 the Company has entered into a tripartite Joint Venture Agreement to form a limited liability company ("LLC") with Qatar Engineering Trading & Contracting Company (QETCC) and KPC Aurion Holding WLL (Aurion). This LLC would be incorporated in the State of Qatar with a paid-up capital of QAR 0.36 Million out of which equivalent to USD 0.02 Million would be contributed by the Company. The Company would hold 20% Equity Ownership in the LLC. The said entity is yet to be incorporated and no investment has been made by the Company.

v. Tech Mahindra Servicos De Informatica LTDA (Refer note 35 (n))

29.3 Other commitments

i. On April 2, 2013, the Company had taken over certain LAB equipments and 7 associates from one of its customers in Sweden vide its agreement dated March 21, 2013 for a purchase consideration of USD 6 Million (₹ 326 Million). As per the terms of agreement, the purchase consideration shall be discharged by the Company by providing services for next three years. As at March 31, 2015 the Company, against the said purchase consideration, has provided services amounting to USD 6 Million (₹ 326 Million) (March 31, 2014: USD 2.90 Million (₹ 157 Million)). As per the terms of agreement, we have provided full services amounting to USD 6 Million (₹ 326 Million).

ii. The company has outstanding commitments with respect to discharge of services to an international sports federation amounting to ₹ 27 Million as at March 31, 2015. (March 31, 2014: ₹ 380 Million)

29.4 Contingent Liabilities

i. Bank Guarantees / comfort letters/ corporate guarantee outstanding as at March 31, 2015: ₹ 9,592 Million (March 31, 2014: ₹ 9,761 Million).

ii. During the year ended March 31, 2015, the Company has given letter of support of USD 91 Million (₹ 5,687 Million) to banks for loans availed by Lightbridge Communications Corporation (100% subsidiary of the Company).

iii. Outstanding Bill discounting as at March 31, 2015 ₹ 2,696 Million (March 31, 2014: ₹ Nil).

29.5 Income Taxes

29.5.1 Income Taxes / Fringe Benefit Tax

The Company has received demand notices from Income Tax Authorities resulting in a contingent liability of ₹ 4,663 Million (March 31, 2014: ₹ 4,407 Million). This is mainly on account of the following:

i. An amount of ₹ 1,137 Million (March 31, 2014: ₹ 822 Million) relating to Transfer pricing adjustment on account of arm's length transactions. The Company has filed an appeal against the same. For the Assessment Year 2011-12, the Company has received draft assessment order, against which the Company has filed an appeal before Dispute Resolution Panel ("DRP").

ii. An amount of ₹ 742 Million (March 31, 2014: ₹ 818 Million) on account of adjustment of expenditure in foreign currency being excluded only from Export turnover and not from Total turnover. The Company has already won the appeal before the Commissioner of Income Tax (Appeals) "CIT(A)" for Assessment Year 2004-05, 2005-06, 2006-07, 2007-08. Income Tax Department is in appeal before the Income Tax Appellate Tribunal ("ITAT") against the Order of CIT (A) for above mentioned Assessment Years, except for Assessment Year 2006-07, for which the company is in Appeal before ITAT against the order of DRP.

iii. An amount of ₹ 2,769 Million (March 31, 2014: ₹ 2,751 Million) relating to Assessment Year 2007-08 for denial of deduction under section 10A of the Income Tax Act, 1961 on transfer pricing adjustment. The Company has won the appeal before CIT (A) and the Income Tax department has filed an appeal before ITAT.

iv. An amount of ₹ 16 Million (March 31, 2014: ₹ 16 Million) relating to Fringe Benefit Tax. The Company has won the appeal before ITAT. The Income Tax department may intend to appeal before High Court against the ITAT order.

29.5.2 Income tax matters related to erstwhile Satyam

i. Financial years 2002-03 to 2005-06

Consequent to the letter of the erstwhile Chairman of the erstwhile Satyam, the Assessing Officer rectified the assessments earlier completed for the financial years 2002-03 to 2005-06, by passing rectification orders under Section 154 of the Income-tax Act, 1961 by withdrawing foreign tax credits and raising net tax demands aggregating ₹ 2,358 Million (including interest) against which refunds of financial years 2007-08 and 2009-10 aggregating ₹ 17 Million have been adjusted. During the financial year ended March 31, 2010, erstwhile Satyam had filed an appeal with the Commissioner of Income Tax (Appeals) (CIT (A)). In August, 2010 the CIT (A) dismissed the appeals. Subsequently, erstwhile Satyam had filed appeals before the Income Tax Appellate Tribunal (ITAT) for the aforesaid years which are pending disposal as on date. During the financial year 2010-11, the assessments (in the normal course of assessment) for the financial years 2004-05 and 2005-06 were further modified by issuing consequential orders re-computing the tax exemptions claimed by the erstwhile Satyam and enhancing the tax demands. The total contingent liability resulting for these years including consequential orders is ₹ 576 Million. Against the consequential orders, erstwhile Satyam has filed appeals before CIT (A) against the said enhancement of tax for the aforesaid years which are pending disposal as on date.

ii. Financial year 2007-08

Erstwhile Satyam has received a demand notice from Additional Commissioner of Income Tax by disallowing the foreign tax credits claimed in the return resulting in a contingent liability of ₹ 2,765 Million (including interest). The revised return filed by erstwhile Satyam was rejected by the Income Tax Department. Erstwhile Satyam has filed an appeal against the said order which is pending before the ITAT.

Erstwhile Satyam's contention with respect to the above tax demands is that the Income Tax Department should take a holistic view of the assessments and exclude the fictitious sales and fictitious interest income. If the said contention of erstwhile Satyam is accepted, there would be no tax demand payable.

iii. Petition before Honourable High Court of Judicature at Hyderabad: Financial years 2002-03 to 2007-08

Erstwhile Satyam had filed various petitions before Central Board of Direct Taxes (CBDT) requesting for stay of demands for the financial years 2002-03 to 2007-08 till the correct quantification of income and taxes payable is done for the respective years. In March 2011, the CBDT rejected erstwhile Satyam's petition and erstwhile Satyam filed a Special Leave Petition before the Honourable Supreme Court which directed erstwhile Satyam to file a comprehensive petition / representation before CBDT giving all requisite details / particulars in support of its case for re-quantification / re-assessment of income for the aforesaid years and to submit a Bank Guarantee (BG) for ₹ 6,170 Million. Pursuant to the direction by the Honourable Supreme Court, erstwhile Satyam submitted the aforesaid BG favouring the Assistant Commissioner of Income tax and also filed a comprehensive petition before the CBDT in April 2011.

The CBDT, vide its order dated July 11, 2011, disposed off the erstwhile Satyam's petition directing it to make its submissions before the Assessing Officer in course of the ongoing proceedings for the aforesaid years and directed the Income Tax Department not to encash the BG furnished by erstwhile Satyam till December 31, 2011. Aggrieved by CBDT's order, erstwhile Satyam filed a writ petition before the Honourable High Court of Judicature at Hyderabad on August 16, 2011.

The Honourable High Court of Judicature at Hyderabad, vide its order dated January 31, 2012, directed the parties to maintain status quo and directed the Income Tax Department not to en-cash the BG until further orders. The BG has been extended upto October 16, 2015.

In the meanwhile, the Assessing Officer served an order dated January 30, 2012, for provisional attachment of properties under Section 281B of the Income Tax Act, 1961 attaching certain immovable assets of erstwhile Satyam on the grounds that there is every likelihood of a large demand to be raised against erstwhile Satyam for the financial years 2002-03 to 2008-09 along with interest liability. Aggrieved by such order, erstwhile Satyam filed a writ petition in the Honourable High Court of Judicature at Hyderabad that has granted a stay on the operation of the provisional attachment order until disposal of this writ.

iv. Appointment of Special Auditor and re-assessment proceedings

a. Financial year 1998-99

In November 2014, the company has received a notice from Income tax department for filing of petition in Honourable High Court of Judicature at Hyderabad against the ITAT order for financial year 1998-99. The Income tax department has raised demand of ₹ 13 Million on account of dispute in treatment of foreign taxes payment treated as self-assessment tax thereby levying Interest u/s. 234B & 234C.

b. Financial years 2001-02 and 2006-07

The Assessing Officer had commissioned a special audit which has been challenged by the erstwhile Satyam on its validity and terms vide writ petitions filed before the Honourable High Court of Judicature at Hyderabad. The said petitions are pending disposal.

In August, 2011, the Additional Commissioner of Income Tax issued the Draft of Proposed Assessment Orders accompanied with the Draft Notices of demand resulting in a contingent liability of ₹ 7,948 Million and ₹ 10,329 Million for the financial years 2001-02 and 2006-07, respectively, proposing variations to the total income, including variations on account of Transfer Pricing adjustments. Erstwhile Satyam has filed its objections to the Draft of Proposed Assessment Orders for the aforesaid years on September 16, 2011 with the Dispute Resolution Panel, Hyderabad, which is pending disposal.

c. Financial years 2002-03 and 2007-08

In December 2011, the Additional Commissioner of Income Tax appointed a Special Auditor under section 142(2A) of the Income Tax Act, 1961 to audit the accounts of erstwhile Satyam for the financial years 2002-03 and 2007-08. Erstwhile Satyam had filed a writ petition before Honourable High Court of Judicature at Hyderabad challenging the special audit.

The proceedings set out above are also subject to the Honourable High Court of Judicature at Hyderabad order dated January 31, 2012, referred to in note 29.5.2.iii directing the parties to maintain status quo.

d. Financial year 2003-04

In December 2014, the Company has received a notice from Income tax department for filing of petition in High Court of Judicature at Hyderabad against the ITAT order for financial year 2003-04. The Income tax department has raised demand of ₹ 173 Million on account of dispute in treatment of foreign taxes payment treated as self-assessment tax, not allowing setoff of losses of eligible STPI units and levying Interest u/s. 234B & 234C. In February 27, 2015 the Company has filed counter affidavit challenging IT department's petition filed with Honourable High Court, pending hearing.

e. Financial year 2008-09

In January 2013, the Additional Commissioner of Income Tax appointed a Special Auditor under section 142(2A) of the Income Tax Act, 1961 to audit the accounts of erstwhile Satyam for the financial year 2008-09. Erstwhile Satyam has challenged the appointment and terms of reference of the special audit by filing a writ petition before the Honourable High Court of Judicature at Hyderabad and the Court vide its interim order dated April 22, 2013, has directed parties to maintain status quo. The writ petition is pending hearing.

f. Financial year 2009-10

In March 2014, the Deputy Commissioner of Income Tax appointed a Special Auditor under section 142(2A) of the Income Tax Act, 1961 to audit the accounts of erstwhile Satyam for the financial year 2009-10. The audit was completed on September 17, 2014 with certain observations made by the Special Auditor. The Special Audit report was submitted to Income tax Assessing officer for assessment.

In January 2015, the Assessing officer has issued assessment order, making addition of ₹ 1,106 Million. The Company has filed appeal before CIT (A) against the said Order.

g. Financial year 2010-11

On March, 30 2015, the Assessing officer has issued draft assessment order, making addition of ₹ 379 Million. The Company intends to file an Appeal with CIT (A) against final Order.

v. Provision for taxation

Erstwhile Satyam was carrying a total amount of ₹ 4,989 Million (net of taxes paid) as at March 31, 2013 (before giving effect to its amalgamation with the Company) towards provision for taxation, including for the prior years for which the assessments are under dispute.

Subsequent to the amalgamation, duly considering the professional advice obtained in the matter, the Management has re-evaluated the effects of the possible outcomes of the tax matters in dispute relating to erstwhile Satyam and the estimated excess tax provision amounting to ₹ 2,266 Million determined based on such evaluation in respect of the prior years have been written back during the previous year ended March 31, 2014. In the opinion of the Management the balance provision for taxation carried in the books with respect to the prior year disputes relating to erstwhile Satyam is adequate.

29.5.3 Income tax matters related to erstwhile Mahindra Engineering Services Limited

Income Taxes

The Company has received demand notices from Income Tax Authorities resulting in a contingent liability of ₹ 364 Million. This is mainly relating to denial of deduction under section 10A of the Income Tax Act, 1961 on account of Splitting up or the Reconstruction of the business already in existence.

29.5.4 Italian Tax claim

Italian Tax Authorities has levied tax demand of EUR 0.10 Million (₹ 8 Million). The Provincial Tax Commission rejected the Company's plea against which erstwhile MESL has filed an appeal in the Regional Court of Emilia Romagna.

29.5.5 Notice from Chad Tax Administration

The Company has received a notice from Chad Tax Administration for payment of FCFA 40 Million (₹ 4 Million) in relation to fiscal year 2012. This amount relates to dispute towards withholding taxes. The company has issued Bank Guarantee in favour of Deputy General Manager of Tax Authorities for the same.

29.6 Customs fine/penalty matters relating to erstwhile Mahindra Engineering Services Limited

i. Erstwhile MESL received a demand from Customs for import of vehicles for an amount of ₹ 2 Million, which the company has paid the said amount "under protest" and filed an appeal before the Honourable Customs, Excise & Service Tax Appellate Tribunal (CESTAT) and pending hearing.

ii. Erstwhile Tech Mahindra (R & D Services) Limited (TMRDL) received demand (including fine and interest) from Commissioner of Customs amounting to ₹ 2 Million (March 31, 2014: ₹ 2 Million) related to misplace of imported capital goods bonded in the company premises during physical verification conducted by the customs authorities. The Company has filed an appeal before the Honorable Customs, Excise & Service Tax Appellate Tribunal (CESTAT).

29.7 Service Tax

The Company has received demand notices from Service Tax Authorities amounting to ₹ 14,688 Million (net of provision), (March 31, 2014: ₹ 883 Million (net of provision)) out of which:

i. ₹ 389 Million (March 31, 2014: ₹ 389 Million) relates to disallowance of input tax credits paid on services for the period March 2005 to March 2011 for erstwhile Satyam. An amount of ₹ 55 Million has been paid "under protest". The Company has filed an appeal before the Honorable Customs, Excise & Service Tax Appellate Tribunal (CESTAT) and is pending hearing.

ii. Erstwhile CanvasM received demand in March 2014 from Service tax department amounting to ₹ 180 Million (March 31, 2014: ₹ 180 Million) under reverse charge on onsite services rendered by overseas subsidiaries for the financial year 2010-11. The Company has filed an appeal before the Honorable Customs, Excise & Service Tax Appellate Tribunal (CESTAT) and is pending hearing.

iii. ₹ 77 Million (March 31, 2014: ₹ 77 Million) relates to marketing and onsite services rendered by overseas subsidiaries for the financial years 2004-05 to 2007-08 for erstwhile Tech Mahindra (R & D Services) Limited (TMRDL). An amount of ₹ 7 Million (March 31, 2014: ₹ 7 Million) has been paid "under protest". The Company has filed an appeal before the Honorable Customs, Excise & Service Tax Appellate Tribunal (CESTAT) and is pending hearing.

iv. ₹ 13 Million (March 31, 2014: ₹ 13 Million) pertains towards services provided under Management Consultancy services for the Company for which the Company has filed a reply against the same.

v. The Company received an order from Honorable High Court dated September 15, 2014, upholding the order passed by Honourable Customs, Excise & Service Tax Appellate Tribunal (CESTAT) issued in March 2013, wherein the services rendered onsite either by the Company's subsidiary/ branch have been held as not export from India for the period November 2008 to February 2010 and the company paid the said amount of ₹ 224 Million. Based on the legal opinion obtained, the company is of the view that the said amount is cenvatable and no provision is made in the books of account and the Company has filed an appeal before the Honorable Supreme Court.

vi. The Company has received an order from Commissioner of service tax confirming demand for interest and penalty amounting to ₹ 12 Million (March 31, 2014: Nil) on the short payment of service tax discharged under reverse charge as per the applicable rate of 10.30% and not as per revised rate of 12.36% for the period of February 2009. The Company has filed an appeal before the Honorable Customs, Excise & Service Tax Appellate Tribunal (CESTAT) and is pending hearing.

vii. The Company, during the year ended March 31, 2015, received a refund order issued by Deputy Commissioner of Service Tax after adjusting interest amounting to ₹ 146 Million (March 31, 2014: Nil) on the liability of ₹ 224 Million refunded by the department in earlier years giving effect to the order issued by Honorable High Court dated September 15, 2014. The Company has filed an appeal before the Commissioner (Appeals) against the said order.

viii. The company received an order from Commissioner of service tax confirming service tax demand, interest and penalty amounting to ₹ 12,753 Million (March 31, 2014: Nil) under reverse charge on onsite services rendered by overseas branches for the period May 2008 to July 2013. The Company has filed an appeal before the Honorable Customs, Excise & Service Tax Appellate Tribunal (CESTAT).

ix. The Company has received an order from Commissioner (Appeals) of service tax allowing service tax refund amounting to ₹ 894 Million (March 31, 2014: Nil) related to onsite services provided by subsidiary treated as export of services for the period July 2012 to June 2013. The Deputy Commissioner, Service tax has filed an appeal before the Honorable Customs, Excise & Service Tax Appellate Tribunal (CESTAT).

29.8 Value Added Tax / Central Sales Tax

i. The Company received a demand notice under Maharashtra Value Added Tax Act, 2002 (MVAT) for financial year 2008-09 relating to mismatch of input Vat credit availed in VAT return amounting to ₹ 5 Million (including penalty and interest where applicable) (March 31, 2014: ₹ 5 Million).

ii. The Company has received a demand notice under Himachal Pradesh Value Added Tax Act, 2005 (HPVAT) for the period June 2013 to December 2014 considering the transaction as local sale and levying VAT liability amounting to ₹ 10 Million (including penalty and interest) (March 31, 2014: Nil) on the material delivered by the vendor to the customer located in state of Himachal Pradesh. The Company has filed an appeal with Additional Excise and Taxation Commissioner Cum –Appellate Authority.

iii. The Company has received a demand notice under Maharashtra Value Added Tax Act, 2002 (MVAT) for financial year 2008-09 to 2011-12 relating to Entry tax on purchase of Air conditioner and part thereof and Tiles amounting to ₹ 42 Million (including penalty and interest) (March 31, 2014: Nil) from outside the state of Maharashtra and import from outside India. The company has filed an appeal with Deputy Commissioner (Appeal).

iv. Erstwhile C & S had received a demand notice aggregating to ₹ 12 Million (March 31, 2014: ₹ 12 Million) (including penalty and interest) under Gujarat Value Added Tax Act, 2003 for financial year 2006-07 to financial year 2008-09 relating to charging the type of VAT i.e. Sales Transaction / Local Value Added Tax against which the company has paid an amount of ₹ 7 Million under protest.

v. Erstwhile CanvasM has received demand notice under Delhi Value Added Tax Act, 2004 relating to levy of Central Sales Tax on handset taken for testing purpose (which are returned back after testing), aggregating to ₹ 1 Million (March 31, 2014: 1 Million) against which the Company has paid ₹ 1 Million under protest.

vi. Erstwhile Satyam had received demand orders/claims relating to issues of applicability and classification aggregating ₹ 463 Million (March 31, 2014: ₹ 423 Million) (including penalty and interest, where applicable) against which the Company has paid an amount of ₹ 258 Million (including penalty and interest, where applicable) under protest.

The above excludes show cause notices relating to Tamil Nadu General sales tax Act, 1959 amounting to ₹ 4,555 Million (March 31, 2014 ₹ 4,555 Million) and Andhra Pradesh Value Added Tax Act, 2005 amounting to ₹ 2,717 Million (March 31, 2014 ₹ 3,824 Million) (including penalty).

29.9 Foreign Exchange Management Act (FEMA), 1999

The Directorate of Enforcement has issued a show-cause notice to erstwhile Satyam for contravention of the provisions of the Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Realisation, Repatriation and Surrender of Foreign Exchange) Regulations, 2000, in respect of the realisation and repatriation of export proceeds to the extent of foreign exchange equivalent to ₹ 506 Million for invoices raised during the period July 1997 to December 31, 2002. The erstwhile Satyam has responded to the show-cause notice and the matter is pending.

29.10 Other Claims on the Company not acknowledged as debt

i. Alleged Advances: Refer note 26.3.

ii. Claims against erstwhile Satyam not acknowledged as dues: ₹ 1,000 Million and interest (March 31, 2014 ₹ 1,000 Million).

iii. Claims made on the erstwhile Satyam by vendors, its employees and customers: ₹ 82 Million (March 31, 2014 ₹ 68 Million).

iv. Dispute in relation to a subsidiary, refer note 32.

v. Claims made on the Company not acknowledged as debts: ₹ 107 Million (March 31, 2014 ₹ 107 Million).

vi. Other claims: ₹ 6 Million (March 31, 2014 ₹ 6 Million) against which the erstwhile Satyam has paid an amount of ₹ 3 Million under protest.

vii. Claims on erstwhile MESL for disputed stamp duty of ₹ 1 Million on sanction of credit facilities. The Appeal is pending before Honourable High Court of Karnataka.

viii. Claims on erstwhile MESL under Motor vehicle Act, 1988 ₹ 1 Million.

29.11 Management's assessment of contingencies / claims

The amounts disclosed under contingencies/claims represent the best possible estimates arrived at on the basis of the available information. Due to high degree of judgment required in determining the amount of potential loss related to the various claims and litigations mentioned above and the inherent uncertainty in predicting future settlements and judicial decisions, the Company cannot estimate a range of possible losses.

However, the Company is carrying a provision for contingencies as at March 31, 2015, which, in the opinion of the Management, is adequate to cover any probable losses in respect of the above litigations and claims. Refer note 51.

30. Other regulatory non-compliances / breaches (of the erstwhile Satyam under erstwhile Management [prior to Government nominated Board])

The management of erstwhile Satyam had identified certain non-compliances / breaches of various laws and regulations by erstwhile Satyam under the erstwhile management (prior to Government nominated Board) including but not limited to the following - payment of remuneration / commission to whole-time directors / non-executive directors in excess of the limits prescribed under the Act, unauthorised borrowings, excess contributions to Satyam Foundation, loan to ASOP Trust (Satyam Associates Trust) without prior Board approval under the Act, delay in deposit of dividend in the bank, dividend paid without profits, non-transfer of profits to general reserve relating to interim dividend declared, utilisation of the Securities Premium account, declaration of bonus shares and violation of SEBI ESOP Guidelines. In respect of some of these matters, erstwhile Satyam (under the Management post Government nominated Board) has applied to the Honourable Company Law Board for condonation Any adjustments, if required, in the financial statements of the Company, would be made as and when the outcomes of the above matters are concluded.

In respect of foreign currency receivables for the period's upto March 31, 2009, the required permission under the provisions of FEMA for extension of time had not been obtained from the appropriate authorities. Erstwhile Satyam under the management post Government nominated Board has fully provided for these receivables.

31. Land

(a) In respect of certain land admeasuring 19.72 acres purchased by erstwhile Satyam in Hyderabad, erstwhile Satyam entered into an agreement with the Government of Andhra Pradesh (GoAP) pursuant to which, it is eligible for incentives, concessions, privileges and amenities under the Information and Communications Technology (ICT) Policy of the GoAP. During the financial year ended March 31, 2009, erstwhile Satyam accounted for an eligible grant amounting to ₹ 96 Million towards the basic cost of the land on acquisition which was adjusted to the cost of the land. Erstwhile Satyam's entitlement to the aforesaid grant is subject to the fulfillment of certain conditions (secured by bank guarantees issued in favor of Andhra Pradesh Industrial Infrastructure Corporation), including employment of a minimum of eligible employees in facilities constructed over the said land, that have been substantially met and are under validation by the GoAP. The company has earlier provided bank guarantee of ₹ 23 Million which is expired and no new bank guarantee has been submitted by the Company. Further, the Company has filed an application dated March 26, 2014 to A.P. Industrial Infrastructure Corporation Limited requesting execution of sale deed. Sale deed was executed on December 04, 2014 and original documents are in process of being obtained from the TSIICL.

(b) In respect of land admeasuring 50 acres purchased from Andhra Pradesh Industrial Infrastructure Corporation Limited in Vishakhapatnam for a total cost of ₹ 50 Million there are certain disputes which have arisen and the Government of Andhra Pradesh has ordered the District Collector to allot alternate land to erstwhile Satyam. The Government of Andhra Pradesh has signed MOU with the Company on September 29, 2014, to allot 10 acres of land to Company on lease in lieu of land earlier allotted. The Company is in process of registering the lease deed and take possession of the said land. Pending the registration and possession, the amount of ₹ 50 Million is included in Capital Advances (under Long-term loans and advances) as at March 31, 2015 (March 31, 2014: ₹ 50 Million).

(c) The erstwhile Satyam has entered into an agreement with the Maharashtra Airport Development Company Ltd (MADC) for the land taken on lease in Nagpur for which it has received extension to erect buildings and commence commercial activities by July 27, 2015.

32. Dispute with Venture Global Engineering LLC

Pursuant to a Joint Venture Agreement in 1999, the erstwhile Satyam and Venture Global Engineering LLC (VGE) incorporated Satyam Venture Engineering Services Private Limited (SVES) in India with an objective to provide engineering services to the automotive industry.

On or around March 20, 2003, numerous corporate affiliates of VGE filed for bankruptcy and consequently the erstwhile Satyam, exercised its option under the Shareholders Agreement (hereinafter referred to as "the SHA"), to purchase VGE's shares in SVES. The erstwhile Satyam's action, disputed by VGE, was upheld in arbitration by the London Court of International Arbitration vide its award in April 2006 ("the Award").

The Courts in Michigan, USA, confirmed and directed enforcement of the Award. They also rejected VGE's challenge to the Award. In 2008, the District Court of Michigan further held VGE in contempt for its failure to honour the Award and inter-alia directed VGE to dismiss the nominees of VGE on its Board and replace them with individuals nominated by the erstwhile Satyam. This Order was also confirmed by the Sixth Circuit Court of Appeals in 2009. Consequently, VGE the erstwhile Satyam's nominees were appointed on the Board of SVES and SVES confirmed the appointment at its Board meeting held on June 26, 2008. The erstwhile Satyam was legally advised that SVES became its subsidiary only with effect from that date.

In the meantime, while proceedings were pending in the USA, VGE filed a suit in April 2006, before the District Court of Secunderabad in India for setting aside the Award. The City Civil Court, vide its judgment in January 2012, has set aside the Award, against which the erstwhile Satyam preferred an appeal ("Company Appeal") before the High Court.

VGE also filed a suit before the City Civil Court, Secunderabad inter alia seeking a direction to the Company to pay sales commission that it was entitled to under the Shareholders Agreement. In the said suit, two ex-parte orders were issued directing the Company and Satyam to maintain status quo with regard to transfer of 50% shares of VGE and with regard to taking major decisions which are prejudicial to interest of VGE. The said suit filed by VGE is still pending before the Civil Court.

The Company has challenged the ex-parte orders of the City Civil Court Secunderabad, before the High Court ("SVES Appeal").

The High Court of Andhra Pradesh consolidated all the Company appeals and by a common order dated August 23, 2013 set aside the Order of the City Civil Court, Hyderabad setting aside the award and also the ex-parte orders of the City Civil Court, Secunderabad. The High Court as an interim measure ordered status quo with regard to transfer of shares, originally given by Supreme Court to be maintained for four weeks which was extended for a further period of three weeks. VGE has filed special leave petition against the said Order before Supreme Court of India, which is currently pending. The Supreme Court by an interim Order dated October 21, 2013 extended the High Court order on the status-quo on transfer of shares. The Company has also filed a Special Leave Petition before the Supreme Court of India challenging the judgment of the High Court only on the limited issue as to whether the Civil Court has jurisdiction to entertain VGE's challenge to the Award. The said Petition is pending before the Supreme Court.

In a related development, in December 2010, VGE and the sole shareholder of VGE (the "Trust", and together with VGE, the "Plaintiffs"), filed a complaint against the erstwhile Satyam in the United States District Court for the Eastern District of Michigan ("District Court") inter alia asserting claims under the Racketeer Influenced and Corrupt Organization Act, 1962 (RICO), fraudulent concealment and seeking monetary and exemplary damages ("the Complaint"). The District Court vide its order in March 2012 has dismissed the Plaintiffs Complaint. The District Court also rejected VGE's petition to amend the complaint. In June 2013, VGE's appeal against the order of the District Court has been allowed by the US Court of Appeals for the Sixth Circuit. The matter is currently before the District Court and the Company has filed a petition before District Court seeking dismissal of the Plaintiff's Complaint. The said petition is pending before the District Court. On March 31, 2015, the US District Court stayed the matter pending hearing and decision by the Indian Supreme Court in the Special Leave Petitions filed by Venture and the Company.

33. Other matters

Foreign currency receivables

In respect of overdue foreign receivables of erstwhile Satyam, the Company is taking steps under the provisions of FEMA, for recovery and/or permissions for write-offs, as appropriate.

34. Share application money pending allotment

The amount received from employees on exercise of stock options is accounted as Share application money pending allotment. Upon allotment, the amount received corresponding to the shares allotted against the options exercised is transferred to Share capital and Securities premium account (if applicable) and taxes (if applicable) recovered from employees. An amount of ₹ 3 Million is outstanding as at March 31, 2015 (March 31, 2014: ₹ 15 Million) representing amounts received from employees of the Company on exercise of stock options towards face value, securities premium and perquisite tax recovered by the Company from the employees, pending allotment. Post March 31, 2015 equity shares has been issued against the said share application money.

35. Acquisitions / Additional Investments in entities

a) During the year ended March 31,2015, the Company has acquired 100% stake in Tech Mahindra IPR Inc. from Tech Mahindra (Americas) Inc. (100% subsidiary of the company) w.e.f. June 26, 2014 for a consideration of USD 0.10 Million (₹ 6 Million).

b) The Company during the year ended March 31, 2009, has incorporated a 100% subsidiary in Mexico (Satyam Computer Services De Mexico S.DE.R.L.DE C.V). During the year ended March 31, 2015 the Company has infused share capital of USD 0.50 Million (₹ 31 Million).

c) During the year ended March 31, 2015, the company acquired 75% stake in FixStream Networks Inc., a Delaware Corporation for a consideration of USD 10 Million as per the share purchase agreement dated April 18, 2014. The company remitted the amount of USD 10 Million (₹ 604 Million) and 18,400,279 equity shares of Series A common stock was transferred in its name on April 30, 2014 having face Value USD 0.0001.

d) During the year ended March 31, 2015 the Company has incorporated a 100% subsidiary in Canada namely TechM Canada Inc. However, neither any investment has been made by the company in the said subsidiary as at March 31, 2015 nor has commenced its operations.

e) Tech Mahindra GmbH (100% subsidiary of Tech Mahindra Limited) entered into a share and asset purchase agreement dated February 26, 2014 for acquiring 100% stake in the equity of BASF Business Services holding GmbH (BASF) for a consideration not exceeding EUR 10 Million (₹ 822 Million) subject to achievement of certain conditions and regulatory approvals. Post the achievement of certain conditions, the amount of EUR 8.18 Million (₹ 660 Million) was remitted on July 29, 2014 and on same date, the shares were transferred in name of Tech Mahindra GmbH and its nominees were appointed on BASF's Board of Directors. Accordingly, effective, July 29, 2014 BASF became a wholly owned subsidiary of Tech Mahindra GmbH. Subsequently, BASFs name was changed in August 2014 to Tech Mahindra Business Services GmbH.

f) During the year ended March 31, 2015 Tech Mahindra GmbH incorporated a 100% subsidiary as TechM IT Services GmbH (TMITS) in Austria. During the year ended March 31, 2015 Tech Mahindra GmbH has infused share capital of EUR 0.005 Million (₹ 1 Million) and it has commenced its operations.

g) During the year ended March 31, 2015 Comviva Technologies Nigeria Limited, acquired 75% stake in equity of Hedonmark (Management Services) Limited for a consideration of USD 0.35 Million (₹ 20 Million). After completion of necessary procedures and documentation in November 2014, the equity shares were transferred in name of Comviva Technologies Nigeria Limited and they appointed its nominees on the Board and consequently Hedonmark (Management Services) Limited became a subsidiary of Comviva Technologies Nigeria Limited.

h) Satyam Venture Engineering Services Private Limited during the year ended March 31, 2015 has incorporated a 100% subsidiary in Germany namely Satyam Venture Engineering Services GmbH. During the year ended March 31, 2015, Satyam Venture Engineering Services Private Limited has infused share capital of EUR 0.025 Million (₹ 2 Million) and it has commenced its operations.

i) During the quarter ended March 31, 2015 the company has infused USD 170 Million (₹ 10,696 Million) in its 100 % subsidiary Tech Mahindra (Americas) Inc.

Tech Mahindra (Americas) Inc. (100 % subsidiary of the company) has w.e.f January 2, 2015 acquired 100% Stake in Lightbridge Communications Corporation (LCC) based in USA, for a consideration of USD 170 Million (₹ 10,773 Million), paid upfront. Acquisition cost incurred amounting of ₹ 168 Million has been added to the cost of investment. LCC is one of the largest independent global providers of Network Engineering services. LCC has built 350 networks and designed more than 350,000 cell sites for over 400 customers worldwide.

j) During the quarter ended March 31, 2015, as per the approved merger scheme, effective date being February 2, 2015, vCustomer Services LLC (100% subsidiary of Tech Mahindra Limited) has been merged with Tech Mahindra (Americas) Inc. (100% subsidiary of Tech Mahindra Limited) and the entire business and all the assets and liabilities, duties and obligations of vCustomer Services LLC have been transferred to and vested in the Tech Mahindra (Americas) Inc. On merger, as per resolution passed by Board of Directors of Tech Mahindra (Americas) Inc. dated February 27, 2015, Tech Mahindra (Americas) Inc. issued 146,745 equity shares to Tech Mahindra Limited, being equity shares issued without consideration received in cash.

k) The Company, pursuant to share purchase agreement dated January 8, 2015, has acquired 100% stake (comprising of 1,065,848 Ordinary Shares of Euro 1 each and 27,062 Class A shares of Euro 1 each) in Sofgen Holdings Limited (Sofgen) on March 13, 2015 for a consideration upto USD 24.25 Million, out of which USD 14.25 Million (₹ 895 Million) paid upfront and balance amount of USD 10 Million being contingent on achieving agreed performance based milestones over a period of two years ending December 31, 2015 (USD 6 Million) and December 31, 2016 (USD 4 Million). Sofgen is into a niche consulting and services specializing in private / wealth, commercial and retail banking solutions. Tech Mahindra Limited has incurred expenditure of ₹ 24 Million on acquisition of shares in Sofgen and the same has been added to the cost of investment.

l) On March 30, 2015, Company has incorporated 100% subsidiary as Tech Mahindra DRC SARLU in Congo DRC. As on March 31, 2015 neither any investment has been made by the company in the said subsidiary nor has commenced its operations.

m) During the year ended March 31, 2015, Company has invested an additional amount of BRL 8 Million (₹ 190 Million) in the equity of its 100% subsidiary Tech Mahindra Servicos De Informatica LTDA.

n) Tech Mahindra Servicos De Informatica LTDA (100% subsidiary of the company) which held 51% stake in Complex IT Services Consultoria EM Informatica LTDA (“Complex IT Services”) has acquired balance stake of 49% in Complex IT Services for a consideration of BRL 21.40 Million (₹ 415 Million) out of which BRL 0.40 Million paid upfront, BRL 8 Million and 13 Million payable on December 31, 2015 and 2016 respectively. As at March 31, 2015, Complex IT Services has become a 100% subsidiary of Tech Mahindra Servicos De Informatica LTDA.

o) During the quarter ended March 31, 2015, Tech Mahindra (Americas) Inc. (100% subsidiary of Tech Mahindra Limited) acquired 30% stake for USD 3 Million in Avion Networks Inc. Tech Mahindra (Americas) Inc. has been issued 600,000 shares of the Series A Preferred Stock (par value $0.001 per share) for a total consideration of USD 3 Million, paid upfront and USD 3 Million payable in calendar year 2016 on achievement of mutually agreed milestones. Post the payment, one nominee of Tech Mahindra Limited has been appointed on the board of Avion Networks Inc. The Company has classified this investment as investment in associate.

p) The Company w.e.f. December 13, 2012 acquired 47.02% stake in Comviva Technologies Limited (“Comviva”). Since then, the Company has increased its stake in Comviva to 67.12%. As at March 31, 2014 ₹ 767 Million were payable of which earn-out was ₹ 552 Million and balance amount of ₹ 215 Million is guaranteed amount. As at March 31, 2015, the Company has paid the said amount of ₹ 767 Million.

q) On January 30, 2015, the Company has invested 19% for a consideration of ₹ 0.02 Million in New Democratic Electoral Trust, a company registered under Section 8 of Companies Act, 2013, incorporated on September 26, 2014 by Mahindra & Mahindra Limited.

36. Disinvestments / Liquidations:

a) Satyam Computer Services (Egypt) S.A.E a 100% subsidiary had applied for voluntary liquidation during the year ended March 31, 2012 as per local regulations applicable to it. However, pending such liquidation, this subsidiary has been considered for the purpose of consolidation.

b) During the year ended March 31, 2015 Mahindra Satyam Servicios DE Informatica S.R.L., Argentina and Mahindra Satyam Servicios DE Informatica Sociedad Anonima Cerrada, Peru (100% subsidiaries of Tech Mahindra Servicos DE Informatica LTDA) have been liquidated as per the laws of the respective countries and approval from RBI is pending.

c) Satyam (Europe) Limited and Vision Compass Inc. (100% subsidiaries of the company) have been liquidated / dissolved as per the laws of the respective countries. However, approval from the Reserve Bank of India for writing off the investments from the books of the Company has not yet been received. The outstanding amounts of investments in these companies have been fully provided for.

d) During the year ended March 31, 2015 Satyam Computer Services Belgium, BVBA (100% subsidiary of the company) had applied for voluntary liquidation and has been dissolved in accordance with Article 184 of the Companies Code applicable in the respective country (Belgium) on September 17, 2014. On liquidation, the Company has received ₹ 328 Million (EUR 4.23 Million) as proceeds of liquidation of said entity. TechM value of investment in the said entity (net of provision) before the liquidation was ₹ 316 Million and as the remittance received was ₹ 328 Million and hence the excess provision of ₹ 12 Million has been accounted under sundry balance written back under other income. The company has applied for RBI approval to write off the said investment which is yet to be received and hence the investments and provision for investments are not knocked off.

e) In September 2012, erstwhile Satyam had entered into a Subscription and Shareholders' agreement with SBI Hong Kong Holdings Co. Limited to set up a Joint Venture in Singapore namely Global ICT Investment Holdings Pte. Ltd (Global ICT). Neither of the ventures has infused capital in it nor it has commenced its operations and Global ICT has been closed down in March 2015.

f) Nitor Global Solutions Limited ("Nitor"), a 100 % subsidiary of erstwhile Satyam, had applied for voluntary liquidation during the year ended March 31, 2012 as per regulations applicable in the respective country. The outstanding receivables (net of payables) amounts from Nitor and the Company's investment in Nitor have been fully provided for in the Company's books of account. The Company, during the year ended March 31, 2014, received GBP 0.01 Million (₹ 5 Million) from the said liquidator towards part distributions to the equity shareholders. Accordingly, the Company's investment in Nitor has been adjusted and provision has been revised to that extent. Further, Nitor has been dissolved and name has been struck-off from Registrar of Companies United Kingdom w.e.f. January 20, 2014. The Company has filed an application with RBI and the Company is still awaiting approval from RBI for writing off the investments from the books of accounts as of March 31, 2015.

g) Erstwhile Satyam in April 2008, through a definitive purchase agreement, purchased 100% of the membership interests of Bridge Strategy Group, LLC ('Bridge'), a Chicago based strategy and general management consulting firm and a Limited Liability Company (limited by Membership Interest) for a total cash consideration of USD 35 Million (₹ 1,439 Million) and subsequently infused USD 12 Million (₹ 558 Million) in the said entity. The said investments of ₹ 1,997 Million were fully provided for in the books of account.

During the previous year ended March 31, 2014, the Company through the agreement dated October 18, 2013, sold the 100% of the membership interests of Bridge for a total consideration of USD 3.50 Million (₹ 217 Million). Accordingly, the amount of investments and provisions against the said investments were knocked off and the balance amount has been recognised as other income during previous year ended March 31, 2014.

37. The Company's management assesses the operations of the subsidiaries/entities, including the future projections, to identify indications of diminution, other than temporary, in the value of the investments recorded in the books of account and, accordingly no additional provision is required to be made, other than the amounts provided for in the books of account.

38. Provision made against Investments of subsidiaries

a) The Company has investment (unquoted) in its 100 % subsidiary, Tech Mahindra GmbH (TMGMBH) aggregating to ₹ 391 Million (March 31, 2014: ₹ 389 Million) which is held as strategic long-term investment. The Company had made provision in the year ended March 31, 2005, to the extent of accumulated losses in TMGMBH aggregating to ₹ 354 Million (March 31, 2014: ₹ 354 Million) towards diminution in the value of its investment. TMGMBH has started earning profits from financial year 2006-07 onwards; however TMGMBH still has accumulated losses as of March 31, 2015 and in view of this, no change in provision of such investment is required.

b) In September 2008, the Company had made an investment of ₹ 85 Million which was equal to 17.28% of the equity share capital of Servista Limited, a leading European system integrator. With this investment, the Company became Servista's exclusive delivery arm for three years and would assist Servista in securing more large scale European IT off shoring business. Subsequently, the business plan of Servista was adversely affected by the economic downturn and it continued to incur losses and therefore, Servista in June 2009 decided to close down its operations. Hence, the Company made a provision of ₹ 85 Million in the year ended March 31, 2010 as diminution in the value of its investments in Servista. As of March 31, 2015, Servista is in process of winding up and in the view of the management; the Company would have no further unrecorded obligations towards settlement of any further liability.

c) Erstwhile Mahindra Engineering Services Limited (MESL) in earlier years, had invested ₹ 3 Million in its subsidiary Mahindra Engineering GmbH. MESL had made provision of ₹ 3 Million towards diminution in the value of its investments due to accumulated losses and no change in provision of such investment is required as of March 31, 2015. Refer note 37.

d) Erstwhile Satyam had made an investment in Dion Global Solutions Limited amounting to ₹ 350 Million. The Company had made provision during the previous year ended March 31, 2014 amounting to ₹ 243 Million towards diminution in the value of the said investment as the decline in the value of investment is other than temporary. Refer note 37.

39. Exceptional items

a) Based on the management's assessment and improved financial performance of Citisoft Plc, the Company during the year, has reversed the provision for diminution in value its investment in Citisoft Plc, which was provided for in an earlier year, amounting to ₹ 613 Million.

b) The exceptional item (income) amounting to ₹ 1,200 Million represents write back during the previous year of an estimated excess provision for contingencies provided in an earlier year by erstwhile Satyam, based on a re-evaluation of the same by the management.

39.1 Others

Erstwhile Satyam in earlier years, had made a provision for diminution in the value of investments of ₹ 64 Million for its investment in C&S System Technologies Private Limited (C&S). On amalgamation of C&S and other entities with the company, the provision being no longer required, has been added to surplus in statement of profit and loss on merger (Refer note 24).

40. Details of employee benefits as required by the Accounting Standard 15 (Revised) – Employee Benefits are as under:

a) Defined Contribution Plan

The Company makes contributions to Provident Fund, Superannuation Fund, National Pension Fund and Employee State Insurance Scheme which are defined contribution plans for qualifying employees. Under these Schemes, the Company contributes a specified percentage of the payroll costs to the respective funds.

The Company recognized expense in the statement of Profit and Loss amounting to:

- ₹ 2,096 Million (March 31, 2014: ₹ 1,920 Million) for Provident Fund contributions,
- ₹ 425 Million (March 31, 2014 : ₹ 350 Million) for Superannuation Fund contributions,
- ₹ 18 Million (March 31, 2014 : ₹ 21 Million) for National Pension Scheme contributions and
- ₹ 36 Million (March 31, 2014: ₹ 36 Million) for Employee State Insurance Scheme contributions.

The contributions to these plans are made at specified percentage / applicable amounts.

b) Defined Benefit Plan

The defined benefit plan comprises of gratuity. The gratuity plan is partly funded. Changes in the present value of defined obligation are representing reconciliation of opening and closing balances thereof and fair value of Trust Fund Receivable (erstwhile TMRDL / MESL) showing amount recognized in the Balance Sheet is as under:

₹ in Million

Particulars	As at	
	March 31, 2015	March 31, 2014
	Non Funded	Non Funded
Projected benefit obligation, at the beginning of the year	2,177	1,177
Add: Additions on account of amalgamation (refer note 24 and 25)	82	1,163
Service cost	389	435
Interest cost	196	178
Actuarial (Gain) / Loss	(250)	(551)
Benefits paid	(272)	(225)
Projected benefit obligation, at the end of the year	2,322	2,177
Trust Fund Receivable (erstwhile TMRDL/MESL (refer note 25))*	(117)	(40)
Projected benefit obligation, at the end of the year (net)	2,205	2,137

* The Trust fund was created to fund the gratuity liability of the erstwhile TMRDL and MESL. After amalgamation of TMRDL and MESL with the Company, the balance in Trust Fund can be utilized only for the payment of obligation arising for gratuity payable to employees of erstwhile TMRDL and MESL.

The composition of Funded balance as on March 31, 2015 is as follows :

₹ in Million

Particulars	As at	
	March 31, 2015	March 31, 2014
Insured Managed Funds (refer note 25)	72	-
Government of India Securities / Gilt Mutual Funds	21	6
State Government Securities / Gilt Mutual Funds	-	9
Public Sector Unit Bonds	9	9
Mutual Funds	3	-
Bank Balance	12	16
Total	117	40

₹ in Million

Expense recognized in the Statement of Profit and Loss	For the year ended	
	March 31, 2015	March 31, 2014
	Non Funded	Non Funded
Service cost	389	435
Interest cost	196	178
Expected Return on Plan Assets	(10)	(2)
Actuarial (Gain) / Loss	(250)	(551)
Total	325	60

Experience Adjustments (Non Funded)

₹ in Million

Particulars	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
1. Defined Benefit Obligation	**(2,322)**	(2,177)	(1,177)	(1,071)	(908)
2. Fair value of plan assets	**117**	40	38	35	33
3. Surplus / (Deficit)	**(2,205)**	(2,137)	(1,139)	(1,036)	(875)
4. Experience adjustment on plan liabilities Gain / (Loss)	**16**	251	130	30	74
5. Experience adjustment on plan assets Gain / (Loss)	**1**	(2)	(0)	(1)	(1)
6. Actuarial Gain / (Loss) due to change on assumptions	**233**	301	(20)	(25)	(2)

Principal Actuarial Assumptions (Non Funded)	As at	
	March 31, 2015	March 31, 2014
Discount Rate	**7.90%**	9.25 %
Rate of increase in compensation levels of covered employees	**4% to 10%**	9.00 %
Mortality Rate	**Indian assured lives Mortality (2006-08) Modified Ult.**	Indian assured lives Mortality (2006-08) Modified Ult.

- The discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated terms of the obligations.
- The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

41. Payment to Auditors (net of service tax)

₹ in Million

Particulars	For the year ended	
	March 31, 2015	March 31,2014
Audit Fees (including quarterly audits)	**30**	30
For taxation matters	**3**	3
For other services	**22**	12
For reimbursement of expenses	**0**	0
Total	**55**	45

42. a) Value of Imports calculated on C.I.F. Basis

₹ in Million

Particulars	For the year ended	
	March 31, 2015	March 31,2014
Components, spare parts and others	**223**	129
Capital goods	**2,098**	1,498
Total	**2,321**	1,627

b) **Expenditure in Foreign Currency**

₹ in Million

Particulars	For the year ended	
	March 31, 2015	March 31,2014
Employee Benefits Expense	27,222	33,420
Subcontracting Expenses	62,768	32,774
Finance Costs	46	37
Operating and Other Expenses	11,754	13,047
Tax Expense	1,863	2,062
Total	103,653	81,340

43. Remittances in foreign currencies for dividends

The Company does not have complete information as to the extent to which remittances in foreign currencies on account of dividends have been made by or on behalf of non-resident shareholders. The particulars of dividends declared for the year ended March 31, 2014 and paid to non – resident shareholders are as under:

Dividend relating to Financial Year	Dividend paid in Financial year	Number of Shareholders	Number of Equity Shares	Amount remitted ₹ in Million
Final Dividend				
2013-2014	**2014-2015**	**6**	**119,246**	**2**
2012-2013	2013-2014	6	131,246	1

44. Earnings in foreign currency

₹ in Million

Particulars	For the year ended	
	March 31, 2015	March 31,2014
Income from Services	183,669	155,502
Rent income	23	40
Interest Received	11	18
Dividend Income	153	-
Total	183,856	155,560

45. Leases

a) The Company has taken premises on operating lease. The expense on such lease rentals recognized in the Statement of Profit and Loss for the year ended March 31, 2015 is ₹ 1,280 Million (year ended March 31, 2014: ₹ 1,293 Million). The future lease payments of such operating lease are as follows:

₹ in Million

Particulars	Not later than 1 year	Later than 1 year not later than 5 years	Later than 5 years
Minimum Lease rentals payable (March 31, 2014: ₹ 503 Million, ₹ 727 Million and ₹ 157 Million respectively)	474	578	78

b) The Company has taken computers, its related equipments and vehicles on operating lease. The expense on such lease rentals recognized in the Statement of Profit and Loss for the year ended March 31, 2015 is ₹ 135 Million (March 31, 2014: ₹ 22 Million). The future lease payments of operating lease are as follows:

₹ in Million

Particulars	**Not later than 1 year**	**Later than 1 year not later than 5 years**	**Later than 5 years**
Minimum Lease rentals payable (March 31, 2014: ₹ 76 Million, ₹ 120 Million and ₹ Nil respectively)	**162**	**191**	**-**

c) The Company has given premises on operating lease. The rental income recognized in the Statement of Profit and Loss for the year ended March 31, 2015 is ₹ 212 Million (March 31, 2014: ₹ 179 Million). The future lease rent receivable on such premises given on operating lease are as follows:

₹ in Million

Particulars	**Not later than 1 year**	**Later than 1 year not later than 5 years**	**Later than 5 years**
Minimum Lease rentals receivable (March 31, 2014: ₹ 123 Million, ₹ 191 Million and ₹ 42 Million respectively)	**212**	**504**	**10,969**

d) The Company has taken vehicles on finance lease. The future lease rent payable on such vehicles taken on finance lease are as follows:

₹ in Million

Particulars	**As at**	
	March 31, 2015	March 31, 2014
Minimum lease payments		
- Less than one year	**58**	53
- One to five years	**-**	56
Total	**58**	109
Present value of minimum lease payments		
- Less than one year	**52**	42
- One to five years	**-**	50
Total	**52**	92

e) During the year, the Company, has given an owned building and related fixed assets on lease to Mahindra Education Institutions (MEI), a company incorporated under section 8 of Companies Act, 2013. The rental income is included under other income (Rent income). Accordingly, the Company has classified these fixed assets as investment property under non-current investments.

46. The Honourable Supreme Court vide its order dated February 2, 2012 cancelled 2G licenses issued to some of Telecom operators in India in 2008. As a result of the cancellation, the business of Company's two customers has become unviable and one of the customers has started winding up proceedings of the Indian operations. The Company had made provision of ₹ 679 Million in the year ended March 31, 2012 on account of likely impairment in the carrying value of the related assets.

47. The tax effect of significant timing differences that has resulted in deferred tax assets are given below:

₹ in Million

Particulars	As at March 31, 2014	Additions on amalgamation (refer note 25)	(Charge) / asset created during the year March 31, 2015	As at March 31, 2015
Deferred Tax Assets				
Depreciation	1,479	3	(230)	**1,252**
Provision for doubtful trade receivables	914	0	(16)	**898**
Provision for employee benefits	697	18	(42)	**673**
Others	19	6	32	**57**
Total	3,109	27	(256)	**2,880**

48. Exchange gain/(loss)(net) accounted during the year

a) The Company enters into foreign Exchange Forward Contracts and Currency Option Contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than the Indian rupee. The counter party to the Company's foreign currency Forward Contracts and Currency Option Contracts is generally a bank. These contracts are entered into to hedge the foreign currency risks of certain forecasted transactions. Forward Exchange Contracts and Currency Option Contracts in UK Pound exposure are split into two legs, which are GBP to USD and USD to INR. These contracts are for a period between 1 day and 2 years.

b) The following are the various outstanding foreign currency exchange forward contracts (sell) entered into by the Company which have been designated as Cash Flow Hedges:

Type of cover	Amount outstanding in Foreign currency (in Million)	Fair Value Gain / (Loss) (₹ in Million)
Forward	**GBP: USD 183** (March 31, 2014: 157) **EUR: USD 155** (March 31, 2014 : 30)	**795** (March 31, 2014: (753)) **1,375** (March 31, 2014 : (4))

The Mark to Market as at March 31, 2015 is net of gain / loss as given below

₹ in Million

Particulars	As at	
	March 31, 2015	March 31, 2014
Classified under Long-Term Loans and Advances	**Loss: 1,042**	-
Classified under Short-Term Loans and Advances	**Loss: 1,502**	-
Classified under Other Long-Term Liabilities	**-**	Gain: 4
Classified under Other Current Liabilities	**-**	Gain: 315

The following are the outstanding foreign currency to INR currency Forward Contracts (sell) entered into by the Company which have been designated as Cash Flow Hedges:

Type of cover	Amount outstanding in Foreign currency (in Million)	Fair Value Gain / (Loss) (₹ in Million)
Forward	**USD 1,441** (March 31, 2014: 910) **EUR 1** (March 31, 2014: 9) **GBP 1** (March 31, 2014: 10)	(1,390) (March 31, 2014:(5,259)) 9 (March 31, 2014: (66)) 1 (March 31, 2014: (103))
Option	**USD 180** (March 31, 2014: 79)	(25) (March 31, 2014: 77)

The movement in hedging reserve during the year ended March 31, 2015 for derivatives designated as Cash Flow Hedges is as follows.

₹ **in Million**

Particulars	**As at**	
	March 31, 2015	March 31, 2014
Credit / (Debit) Balance at the beginning of the year	**(5,589)**	(2,486)
Additions on account of amalgamation (refer note 24)	**-**	197
Transfer due to amalgamation (refer note 24)	**-**	(38)
Gain / (Loss) net transferred to income statement on occurrence of forecasted hedge transaction	**609**	(853)
Changes in the fair value of effective portion of outstanding cash flow derivative	**6,918**	(4,115)
(Debit) / Credit Balance	**720**	(5,589)

Net profit on derivative instruments of ₹ 319 Million (March 31, 2014; loss ₹ 2,445 Million) recognised in hedging reserve as of March 31, 2015 is expected to be reclassified to the Statement of Profit and Loss by March 31, 2016.

Exchange gain / (loss) net of ₹ 609 Million (March 31, 2014: loss ₹ 853 Million) on foreign exchange forward contracts and currency options contracts have been recognised for the year ended March 31, 2015.

c) As at March 31, 2015, the Company has net foreign exchange exposures that are not hedged by a derivative instruments or otherwise amounting to ₹ 34,942 Million (March 31, 2014: ₹ 33,666 Million)

49. Current tax for the year ended March 31, 2015 includes tax expense (net of refund / write back) for foreign branches amounting to ₹ 1,961 Million (March 31, 2014: ₹ 1,999 Million).

Current tax expense for the year ended March 31, 2015 is net of excess provision of ₹ 64 Million (net) (March 31, 2014: ₹ 240 Million) of earlier periods written back, no longer required; also refer note 29.5.2.v.

The Company has made provision towards current tax in respect of its domestic operations for the year ended March 31, 2015. Further, the Management has assessed the Company's tax position in respect of its overseas operations taking into account the relevant rules and regulations as applicable in the respective countries. Based on professional advice, it has been determined that the provision made currently is adequate.

Current tax for year ended March 31, 2015 includes provision of ₹ Nil towards capital gain on deemed transfer of business in overseas branches on account of merger (March 31, 2014: ₹ 223 Million).

50. The Company makes provision for Claims and Warranties on a need based basis. The Company also provides warranty support to some of its customers as per the terms of the contracts. The details of provision for claims and warranties are as follows:

₹ **in Million**

Particulars	**As at**	
	March 31, 2015	March 31, 2014
Opening balance	**199**	107
Add: Additions on account of amalgamation (refer note 24)	**-**	70
Provision made during the year	**248**	407
Reversals during the year	**(130)**	(305)
Payments / utilisation made during the year	**(155)**	(80)
Closing balance	**163**	199

Note:

Provision for warranties is estimated and made based on technical estimates of the Management and is expected to be settled over the period of next one year.

51. Provision for contingencies

The Company carries a general provision for contingencies towards various claims made / anticipated against the Company based on the Management's assessment. The management estimates the same to be settled in 3-5 years. The movement in the said provisions is summarized below:

₹ in Million

Particulars	As at	
	March 31, 2015	March 31, 2014
Opening Balance	**711**	-
Add: Additions on account of amalgamation (refer note 24)	**-**	1,911
Provision made during the year	**-**	-
Reversal / utilisation made during the year #	**-**	(1,200)
Closing balance	**711**	711

The exceptional item (income) amounting to ₹ Nil Million (March 31, 2014: ₹ 1,200 Million) represents write back during the year ended March 31, 2015 of an estimated excess provision for contingencies provided in an earlier year by erstwhile Satyam, based on a re-evaluation of the same by the Management.

52. As required under Accounting Standard 18 "Related Party Disclosures" (AS – 18), following are details of transactions during the year ended March 31, 2015 and outstanding balances as of that date with the related parties of the Company as defined in AS – 18:

a) List of Related Parties and Relationships:

Name of Related Party	Extent of Holding / Relationship
Mahindra & Mahindra Limited	Promoter / Enterprise having significant Influence
Mahindra-BT Investment Company (Mauritius) Limited	Promoter Group company / Enterprise having significant Influence
Mahindra Holdings Limited	Promoter Group company / Enterprise having significant Influence
Tech Mahindra IPR Inc.	100% Subsidiary Company [Refer note 35 (a)]
Tech Mahindra GmbH and its following 100% subsidiaries	100% Subsidiary Company
TechM IT-Services GmbH	100% Subsidiary Company [Refer note 35 (f)]
Tech Mahindra Business Services GmbH	100% Subsidiary Company [Refer note 35 (e)]
Tech Mahindra (Singapore) Pte. Limited	100% Subsidiary Company
Tech Mahindra (Thailand) Limited	100% Subsidiary Company
PT Tech Mahindra Indonesia	100% Subsidiary Company
Tech Mahindra (Malaysia) SDN. BHD.	100% Subsidiary Company
Tech Mahindra (Beijing) IT Services Limited	100% Subsidiary Company
Tech Mahindra (Nigeria) Limited	100% Subsidiary Company
Tech Mahindra (Bahrain) Limited S.P.C.	100% Subsidiary Company
Tech Mahindra Business Services Limited	100% Subsidiary Company
Comviva Technologies Limited and its following 100% subsidiaries	67.12 % Subsidiary Company [Refer note 35(p)]
Comviva Technologies Inc.	67.12 % Subsidiary Company
Comviva Technologies Singapore Pte. Ltd	67.12 % Subsidiary Company
Comviva Technologies FZ-LLC	67.12 % Subsidiary Company
Comviva Technologies Nigeria Limited and its following 75% subsidiary	67.12 % Subsidiary Company
Hedonmark {Management Services} Limited	50.34 % Subsidiary Company [Refer note 35(g)]

Name of Related Party	Extent of Holding / Relationship
Tech Mahindra South Africa (Pty) Limited	51% Subsidiary Company
Tech Mahindra BPO Limited	100% Subsidiary Company
Tech Mahindra (Shanghai) Co. Limited (formerly Satyam Computer Services (Shanghai) Co. Limited)	100% Subsidiary Company
Tech Mahindra (Nanjing) Co. Limited (formerly Satyam Computer Services (Nanjing) Co. Limited)	100% Subsidiary Company
Tech Mahindra Technologies Inc.	100% Subsidiary Company
Nitor Global Solutions Limited	Refer note 36 (f)
Satyam Computer Services (Egypt) S.A.E	100 % Subsidiary Company [Refer note 36 (a)]
Citisoft Plc. and its following 100 % subsidiary	100% Subsidiary Company
Citisoft Inc.	100% Subsidiary Company
Satyam Computer Services Belgium BVBA	Refer note 36 (d)
Satyam Venture Engineering Services Private Limited and its following 100 % subsidiary	50% Subsidiary Company [Refer note 32]
Satyam Venture Engineering Services (Shanghai) Co. Limited	50% Subsidiary Company
Satyam Venture Engineering Services GmbH	50% Subsidiary Company [Refer note 35 (h)]
Satyam Computer Services De Mexico S.DE.R.L.DE.C.V.	100% Subsidiary Company [Refer note 35 (b)]
vCustomer Services LLC	Refer note 35 (j)
New vC Services Private Limited and its 100% subsidiary	100% Subsidiary Company
vCustomer Philippines, Inc. and its 100% subsidiary	100% Subsidiary Company
vCustomer Philippines (Cebu), Inc.	100% Subsidiary Company
Tech Mahindra Servicos De Informatica LTDA and its following 100 % subsidiaries	100% Subsidiary Company [Refer note 35 (m)]
Mahindra Satyam Servicios DE Informatica S.R.L.	[Refer note 36 (b)]
Satyam Colombia Servicios DE Informatica SAS	100% Subsidiary Company
Mahindra Satyam Servicios DE Informatica Sociedad Anonima Cerrada	[(Refer note 36 (b)]
Complex IT Solution Consultoria EM Informatica S/A	100% Subsidiary Company [Refer note 35 (n)]
Tech Mahindra ICT Services (Malaysia) SDN. BHD.	100% Subsidiary Company
FixStream Networks Inc. and its 100% subsidiary	75% Subsidiary Company [Refer note 35 (c)]
Quexa Systems Private Limited	75% Subsidiary
TechM Canada Inc.	100% Subsidiary Company [Refer note 35 (d)]
Mahindra Technologies Services Inc.	100% Subsidiary (Refer note 25)
Mahindra Engineering Services (Europe) Limited	100% Subsidiary (Refer note 25)
Mahindra Engineering GmbH	84.29 % Subsidiary (Refer note 25) 15.71% by Mahindra Engineering Services (Europe) Limited
Tech Mahindra (Americas) Inc. and its following 100% subsidiary	100% Subsidiary Company
Tech Talenta Inc.	100% Subsidiary Company
Lightbridge Communications Corporation and its following subsidiaries:	100% Subsidiary Company (Refer note 35 (i))
Burgundy Holding Corporation	100% subsidiary Company of LCC
LCC Deployment Services Inc.	100% subsidiary Company of LCC

Name of Related Party	Extent of Holding / Relationship
LCC Design Services, Inc.	100% subsidiary Company of LCC
LCC International, Inc.	100% subsidiary Company of LCC
LCC Wireless Design Services, Inc.	100% subsidiary Company of LCC
LCC Wireless Services, Inc.	100% subsidiary Company of LCC
Lightbridge Middle East Holdings, Inc.	100% subsidiary Company of LCC
Lightbridge North America Holdings, Inc.	100% subsidiary Company of LCC
Opticore EMA, LLC	100% subsidiary Company of LCC
Opticore Holdings, Inc	100% subsidiary Company of LCC
Opticore Networks, Inc.	100% subsidiary Company of LCC
Opticore Networks EMA, LLC	100% subsidiary Company of LCC
SARL Djazatech	Associate of LCC
EURL LCC UK Algerie	Associate of LCC
LCC Diseno y Servicios Argentina, SRL	100% subsidiary Company of LCC
LCC Service Belgium NV	100% subsidiary Company of LCC
LCC do Brasil Ltda.	100% subsidiary Company of LCC
LCC Wireless Services Canada, Inc	100% subsidiary Company of LCC
LCC Diseno y Servicios Chile	100% subsidiary Company of LCC
LCC Colombia SAS	100% subsidiary Company of LCC
LCC Middle East FZ-LLC	100% subsidiary Company of LCC
LCC Engineering & Deployment Services Misr, LTD	100% subsidiary Company of LCC
LCC France SARL	100% subsidiary Company of LCC
LCC Telecom GmbH	95% subsidiary Company of LCC
LCC Design & Deployment Services Ltd.	100% subsidiary Company of LCC
LCC India Private Limited	100% subsidiary Company of LCC
LCC Italia S.R.L.	100% subsidiary Company of LCC
LCC Saudi Telecom Services, Ltd.	100% subsidiary Company of LCC
LCC Central America de Mexico, SA de CV	100% subsidiary Company of LCC
LCC Wireless Communications Services Maroc, SARLAU	100% subsidiary Company of LCC
LCC Acquisition Holdings B.V.	100% subsidiary Company of LCC
LCC Europe Cooperatief U.A	100% subsidiary Company of LCC
LCC Europe Holdings, BV	100% subsidiary Company of LCC
LCC Installation & Services Professionals BV	95% subsidiary Company of LCC
LCC Installation & Services Projects BV	95% subsidiary Company of LCC
LCC Middle East Holdings, B.V.	100% subsidiary Company of LCC
LCC Network Services, B.V.	95% subsidiary Company of LCC
LCC North Central Europe, B.V.	100% subsidiary Company of LCC
LCC Projects BV	95% subsidiary Company of LCC
LCC Professionals, B.V.	95% subsidiary Company of LCC
LCC Telecom Infra Professionals BV	95% subsidiary Company of LCC
LCC Telecom Infra Projects BV	95% subsidiary Company of LCC
LCC Muscat LLC	100% subsidiary Company of LCC
LCC Pakistan Private Ltd	100% subsidiary Company of LCC
LCC Peru S.R.L	100% subsidiary Company of LCC
LCC Networks Poland Sp.z.o.o	100% subsidiary Company of LCC
Light Bridge Communications Corporation LLC	95% subsidiary Company of LCC
LCC Wireless Communications Espana, SA	100% subsidiary Company of LCC

Name of Related Party	Extent of Holding / Relationship
LCC Telekomunikasyon Servis Limited	100% subsidiary Company of LCC
LCC Deployment Services UK, Ltd	100% subsidiary Company of LCC
LCC United Kingdom, Ltd.	100% subsidiary Company of LCC
LCC Wireless Engineering Services, Ltd	100% subsidiary Company of LCC
Merlin Projects, Ltd.	100% subsidiary Company of LCC
Wireless Facilities International, Ltd.	100% subsidiary Company of LCC
Leadcom Integrated Solutions USA Inc.	100% subsidiary Company of LCC
Leadcom S.A.	100% subsidiary Company of LCC
Leadcom Bolivia S.R.L.	100% subsidiary Company of LCC
Integrated Solutions Tchad SARL	100% subsidiary Company of LCC
Leadcom Telecommunicaciones de Chile S.A.	100% subsidiary Company of LCC
Leadcom de Colombia S.A.	100% subsidiary Company of LCC
Leadcom DRC SARL	100% subsidiary Company of LCC
Leadcom del Ecuador S. A.	100% subsidiary Company of LCC
Leadcom Integrated Solutions (SPV) SAS	100% subsidiary Company of LCC
Leadcom Gabon S.A.	100% subsidiary Company of LCC
STA Gabon	100% subsidiary Company of LCC
Leadcom Ghana Limited	100% subsidiary Company of LCC
Servicios Integrales de Telecommunicaciones Y Obras Civiles, Sociedad Anonima	100% subsidiary Company of LCC
Leadcom Integrated Solutions (L.I.S.) Ltd	100% subsidiary Company of LCC
Societe de Telecommunications Africaine (STA) Abidjan	100% subsidiary Company of LCC
Leadcom Integrated Solutions Kenya Limited	100% subsidiary Company of LCC
Leadcom Mexico S.A. de C.V.	100% subsidiary Company of LCC
Leadcom Integrated Solutions Myanmar Co., Ltd	100% subsidiary Company of LCC
Leadcom EMEA B.V.	100% subsidiary Company of LCC
LeadCom Integrated Solutions International B.V.	100% subsidiary Company of LCC
Leadcom Panama S.A.	100% subsidiary Company of LCC
Leadcom Peru S.A.C.	100% subsidiary Company of LCC
Leadcom Integrated Solutions Rwanda Ltd	100% subsidiary Company of LCC
STA Dakar	100% subsidiary Company of LCC
Leadcom Integrated Solutions Tanzania Ltd	100% subsidiary Company of LCC
Leadcom Uganda Limited	100% subsidiary Company of LCC
Coniber S.A.	100% subsidiary Company of LCC
Leadcom Telecommunicacoes Costa Rica S.A.	100% subsidiary Company of LCC
Sofgen Holdings Limited	100% subsidiary Company [Refer note 35 (k)]
Sofgen Americas Inc	100% subsidiary of Sofgen Holdings Limited
Sofgen Services Limited	100% subsidiary of Sofgen Holdings Limited
Sofgen Limited	100% subsidiary of Sofgen Holdings Limited
Sofgen (UK) Limited	100% subsidiary of Sofgen Holdings Limited
SC Compania Sofgen SRL	100% subsidiary of Sofgen Holdings Limited
Sofgen Luxembourg SARL	100% subsidiary of Sofgen Holdings Limited
Sofgen Ireland Limited	100% subsidiary of Sofgen Holdings Limited
Sofgen SA	100% subsidiary of Sofgen Holdings Limited
Sofgen Consulting AG	100% subsidiary of Sofgen SA
Sofgen SaveTax S.A	100% subsidiary of Sofgen SA

Name of Related Party	Extent of Holding / Relationship
Sofgen SA	100% subsidiary of Sofgen Holdings Limited
Sofgen Africa Limited	100% subsidiary of Sofgen Holdings Limited
Sofgen West Africa Limited	100% subsidiary of Sofgen Africa Limited
Sofgen India Private Limited	100% subsidiary of Sofgen Holdings Limited
Sofgen SDN. BHD.	100% subsidiary of Sofgen Holdings Limited
Sofgen Services Pte. Ltd.	100% subsidiary of Sofgen Holdings Limited
Sofgen Australia Pty Limited	100% subsidiary of Sofgen Holdings Limited
Tech Mahindra DRC SARLU	100% Subsidiary Company [Refer note 35 (l)]
Avion Networks, Inc.	Associate Company [Refer note 35 (o)]
Satyam (Europe) Limited	Refer note 36 (c)
Vision Compass Inc.	Refer note 36 (c)
Global ICT Investment Holdings Pte. Limited	Refer note 36 (e)
Tech Mahindra Foundation	Enterprise where the Company is in a position to exercise control (Section 8 company)
Mahindra Satyam Foundation	Enterprise where the Company is in a position to exercise control
Satyam Associates Trust	Enterprise where the Company is in a position to exercise control
Mahindra Educational Institutions	Enterprise where the Company is in a position to exercise control (Section 8 company)
TML Benefit Trust	Refer note 24
TML Odd Lot Trust	Trust to hold the fractional shares
Mahindra Engineering Services ESOP Trust	Trust to administer ESOP scheme (setup by erstwhile Mahindra Engineering Services Limited)
Vineet Nayyar - Executive Vice Chairman	Key Management Personnel (KMP)
C.P. Gurnani - Managing Director	
Milind Kulkarni – Chief Financial Officer #	
G Jayaraman – Company Secretary #	
Gokul Jayaraman #	Relative of Key Management Personnel

designated Key Management Personnel w.e.f. April 1, 2014.

b) Related party Transactions for the year ended March 31, 2015

₹ in Million

Nature of Transaction	Related party	Year ended	
		March 31, 2015	March 31, 2014
Revenue	Mahindra & Mahindra Limited	**1,268**	153
	Tech Mahindra (Americas) Inc.	**2,779**	1,596
	Tech Mahindra GmbH	**816**	111
	Tech Mahindra (Singapore) Pte. Limited	**554**	212
	PT Tech Mahindra Indonesia	**125**	81
	Tech Mahindra (Thailand) Limited	**18**	54
	Tech Mahindra (Malaysia) SDN. BHD.	**364**	417
	Tech Mahindra (Bahrain) Limited S.P.C	**0**	272
	Tech Mahindra (Nigeria) Limited	**56**	111
	Tech Mahindra South Africa (Pty) Ltd	**3**	-
	Comviva Technologies Limited	**22**	8

₹ in Million

Nature of Transaction	Related party	Year ended March 31, 2015	Year ended March 31, 2014
	Tech Mahindra BPO Limited	**71**	94
	Tech Mahindra (Shanghai) Co. Limited	**119**	87
	Tech Mahindra Servicos De Informatica LTDA	**95**	81
	Satyam Colombia Servicos DE Informatica SAS	**19**	14
	Complex IT Solution Consultoria EM Informatica S/A.	**1**	3
	Tech Mahindra IPR Inc.	**146**	-
	Tech Mahindra (Nanjing) Co. Limited	**6**	-
	Tech Mahindra (Beijing) IT Services Limited	**-**	0
	Mahindra Technologies Services Inc.	**10**	-
	Mahindra Engineering Services (Europe) Limited	**71**	-
	Mahindra Engineering GmbH	**6**	-
Sub-contracting Expenses	Tech Mahindra (Americas) Inc.	**44,281**	19,053
	Mahindra & Mahindra Limited	**19**	-
	Tech Mahindra GmbH	**2,756**	1,051
	Tech Mahindra (Singapore) Pte. Limited	**306**	228
	Tech Mahindra (Thailand) Limited	**10**	30
	Tech Mahindra (Malaysia) SDN. BHD.	**299**	330
	Tech Mahindra (Beijing) IT Services Limited	**15**	16
	Tech Mahindra (Bahrain) Limited S.P.C	**61**	215
	Tech Mahindra (Nigeria) Limited	**4**	3
	Comviva Technologies Limited	**113**	21
	Comviva Technologies FZ-LLC	**22**	-
	Tech Mahindra BPO Limited	**715**	712
	Tech Mahindra (Shanghai) Co. Limited	**54**	31
	New vC Services Private Limited	**68**	44
	Tech Talenta Inc.	**72**	172
	Satyam Venture Engineering Services Private Limited	**97**	109
	Tech Mahindra Technologies Inc.	**254**	387
	Tech Mahindra Servicos De Informatica LTDA	**340**	176
	Tech Mahindra (Nanjing) Co. Limited	**59**	107
	Citisoft Plc.	**50**	73
	vCustomer Philippines, Inc.	**166**	84
	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	**807**	296
	vCustomer Philippines (Cebu), Inc	**86**	-
	TechM IT Services GmbH	**15**	-
	LCC Services Belgium N.V.	**64**	-
Reimbursement of Expenses (Net)-Paid / (Receipt)	Mahindra & Mahindra Limited	**(54)**	(1)
	Tech Mahindra (Americas) Inc.	**(1,128)**	59
	Tech Mahindra GmbH	**(23)**	105
	Tech Mahindra (Singapore) Pte. Limited	**(15)**	(9)
	Tech Mahindra (Thailand) Limited	**0**	1

₹ in Million

Nature of Transaction	Related party	Year ended March 31, 2015	Year ended March 31, 2014
	PT Tech Mahindra Indonesia	**(14)**	(147)
	Tech Mahindra (Malaysia) SDN. BHD.	**(2)**	(13)
	Tech Mahindra (Beijing) IT Services Limited	**0**	15
	Tech Mahindra (Bahrain) Limited S.P.C	**(11)**	(18)
	Tech Mahindra (Nigeria) Limited	**(2)**	3
	Comviva Technologies Limited	**5**	6
	Comviva Technologies FZ-LLC	**-**	0
	Tech Mahindra BPO Limited	**(59)**	(35)
	Tech Mahindra Business Services Limited	**(58)**	(0)
	Citisoft Plc.	**(0)**	0
	Citisoft Inc	**1**	-
	New vC Services Private Limited	**(29)**	(39)
	Tech Mahindra Servicos De Informatica LTDA	**0**	10
	Satyam Venture Engineering Services Private Limited	**(15)**	(31)
	Tech Talenta Inc.	**(4)**	(5)
	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	**(15)**	(21)
	vCustomer Philippines, Inc.	**1**	2
	Tech Mahindra (Shanghai) Co. Limited	**(0)**	1
	Mahindra Educational Institutions	**(6)**	(11)
	Complex IT Solution Consultoria EM Informatica S/A.	**1**	-
	Mahindra Technologies Services Inc.	**(23)**	-
	Mahindra Engineering Services (Europe) Limited	**(3)**	-
	Tech Mahindra South Africa (Pty) Ltd	**(9)**	-
	Mahindra Engineering GmbH	**(0)**	-
	vCustomer Philippines (Cebu), Inc	**-**	0
	Tech Mahindra Technologies Inc.	**-**	4
Advance Receivable written off	Tech Mahindra (Beijing) IT Services Ltd.	**-**	7
	Satyam Japan KK	**-**	100
Software / Hardware & project specific expenses	Comviva Technologies FZ-LLC	**2**	23
	Comviva Technologies Limited	**80**	-
	Tech Mahindra (Nigeria) Limited	**11**	-
	vCustomer Philippines, Inc.	**3**	-
Rent Paid	Mahindra & Mahindra Limited	**1**	-
	Tech Mahindra GmbH	**2**	-
	Tech Mahindra BPO Limited	**7**	-
	Tech Mahindra (Americas) Inc.	**-**	0
Rent Income	Tech Mahindra (Americas) Inc.	**-**	4
	Mahindra & Mahindra Limited	**0**	-
	New vC Services Private Limited	**13**	14
	Tech Mahindra BPO Limited	**139**	121
	Citisoft Plc.	**14**	15
	Mahindra Educational Institutions	**65**	-

₹ in Million

Nature of Transaction	Related party	Year ended	
		March 31, 2015	March 31, 2014
Professional Services	Mahindra & Mahindra Limited	**12**	17
Interest Income	Tech Mahindra (Nigeria) Limited	**1**	2
	Tech Mahindra South Africa Pty Limited	**1**	0
	Citisoft Plc.	**-**	3
Interest Expense	Tech Mahindra Business Services Limited	**-**	126
Corporate Social Responsibility Expenditure (donations)	Tech Mahindra Foundation	**258**	324
	Mahindra Educational Institutions	**274**	20
Salary, Perquisites & Commission to KMP's / relative of KMP	Vineet Nayyar	**35**	37
	C. P. Gurnani	**23**	26
	Milind Kulkarni	**6**	-
	G. Jayaraman	**5**	-
	Gokul Jayaraman	**1**	-
Stock Options	Key Management Personnel	**#**	#
Other Income	TML Benefit Trust	**480**	120
	Mahindra & Mahindra Limited	**-**	0
Dividend Paid	Mahindra & Mahindra Limited	**1,214**	303
	TML Benefit Trust	**480**	120
	Vineet Nayyar	**14**	3
	C. P. Gurnani	**13**	2
	Mahindra-BT Investment Company (Mauritius) Limited	**1**	0
	Milind Kulkarni	**0**	-
	G. Jayaraman	**0**	-
Dividend Received	PT Tech Mahindra Indonesia	**153**	-
Purchase of Fixed Assets	Mahindra & Mahindra Limited	**67**	20
Sale of Fixed Assets	Tech Mahindra (Americas) Inc.	**-**	49
	Tech Mahindra Servicos De Informatica LTDA	**-**	0
	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	**-**	12
Loan / ICD availed	Tech Mahindra Business Services Limited	**-**	1,600
Loan / ICD Given	Tech Mahindra South Africa Pty Limited	**-**	31
Loan / ICD Repaid	Tech Mahindra Business Services Limited	**-**	1,600
Loans received back	Tech Mahindra BPO Limited	**950**	1,000
	Citisoft Plc.	**-**	50
	Tech Mahindra (Nigeria) Limited	**60**	-
	Satyam Associate Trust	**10**	-
Advances Given	Tech Mahindra Servicos De Informatica LTDA	**80**	65
	Tech Mahindra GmbH	**667**	-
	Tech Mahindra South Africa (Pty) Limited	**-**	31
	Mahindra & Mahindra Limited	**-**	6

₹ in Million

Nature of Transaction	Related party	Year ended March 31, 2015	Year ended March 31, 2014
	Mahindra Educational Institutions	**0**	-
	PT Tech Mahindra Indonesia	**19**	-
	vCustomer Philippines (Cebu), Inc.	**25**	-
	vCustomer Philippines, Inc.	**19**	-
Advance received back	Tech Mahindra GmbH	**667**	-
	Tech Mahindra Servicos De Informatica LTDA	**13**	65
	Tech Mahindra South Africa (Pty) Limited	**-**	31
	PT Tech Mahindra Indonesia	**19**	-
	vCustomer Philippines (Cebu), Inc.	**25**	-
	vCustomer Philippines, Inc.	**19**	-
Assets transferred	Tech Mahindra (Americas) Inc.	**1**	337
	Tech Mahindra GmbH	**852**	9
	Tech Mahindra (Singapore) Pte. Limited	**3**	0
	Tech Mahindra (Bahrain) Ltd S.P.C.	**0**	-
	Tech Mahindra (Shanghai) Co Ltd	**6**	-
	Tech Mahindra (Malaysia) SDN. BHD.	**4**	0
	Tech Mahindra ICT (Malaysia) SDN. BHD.	**3**	7
	Tech Mahindra (Nigeria) Limited	**0**	0
	PT Tech Mahindra Indonesia	**0**	1
	Tech Mahindra (Thailand) Limited	**0**	0
	Tech Mahindra IT Services GmbH	**4**	-
Liabilities transferred	Tech Mahindra GmbH	**107**	-
	Tech Mahindra (Americas) Inc.	**-**	629
	Tech Mahindra (Thailand) Limited	**-**	0
	Tech Mahindra (Bahrain) Ltd S.P.C.	**-**	2
Investments made	Tech Mahindra (Thailand) Limited	**-**	2
	Tech Mahindra Servicos De Informatica LTDA	**190**	489
	Tech Mahindra (Nanjing) Co. Limited	**-**	41
	Mahindra Educational Institutions	**-**	0
	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	**-**	12
	Satyam Computer Services De Mexico S.DE R.L.DEC.V	**31**	-
	Tech Mahindra GmbH	**2**	-
	Tech Mahindra (Americas) Inc.*	**10,696**	-
Acquisition of company	Tech Mahindra (Americas) Inc #	**6**	-

* Excludes ₹ 1,020 Million pertaining to investment of vCustomer LLC which has been added to investment in Tech Mahindra (Americas) Inc on merger. Refer note 35 (j)

\# Refer note 35 (a)

₹ In Million

Balances as at	Name of the Party	As at	
		March 31, 2015	March 31, 2014
Trade Payables	Mahindra & Mahindra Limited	**85**	24
	Tech Mahindra (Americas) Inc.	**7,046**	4,793
	Tech Mahindra GmbH	**885**	155
	Tech Mahindra (Singapore) Pte. Limited	**35**	27
	Tech Mahindra (Thailand) Limited	**6**	3
	PT Tech Mahindra Indonesia	**0**	-
	Tech Mahindra (Malaysia) SDN. BHD.	**14**	45
	Tech Mahindra (Beijing) IT Services Limited	**11**	3
	Tech Mahindra (Bahrain) Limited S.P.C	**8**	6
	Tech Mahindra (Nigeria) Limited	**12**	14
	Comviva Technologies FZ-LLC	**4**	2
	Tech Mahindra BPO Limited	**179**	167
	Tech Mahindra (Shanghai) Co. Limited	**20**	4
	New vC Services Private Limited	**48**	13
	vCustomer Philippines, Inc.	**115**	55
	vCustomer Philippines (Cebu), Inc.	**68**	0
	Tech Talenta Inc.	**2**	14
	Tech Mahindra Technologies Inc.	**21**	41
	Citisoft Plc.	**16**	19
	Satyam Venture Engineering Services Private Limited	**1**	19
	Tech Mahindra (Nanjing) Co. Limited	**6**	7
	Satyam Computer Services (Egypt) S.A.E	**1**	1
	Tech Mahindra Servicos De Informatica LTDA	**9**	11
	Satyam (Europe) Limited	**224**	224
	Comviva Technologies Limited	**101**	13
	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	**67**	77
	LCC Services Belgium N.V	**36**	-
	TechM IT Services GmbH	**5**	-
Loans Receivable (Long term)	Tech Mahindra (Nigeria) Limited	**-**	120
	Tech Mahindra BPO Limited	**370**	1,320
	Tech Mahindra South Africa (Pty) Limited	**31**	30
	Satyam Associates Trust *	**18**	28
Loans Receivable (Short term)	Tech Mahindra BPO Limited	**300**	300
	Tech Mahindra (Nigeria) Limited	**63**	-
Share Application Money pending allotment	Satyam Computer Services (Egypt) S.A.E	**32**	32
	Satyam (Europe) Limited @	**34**	34
Trade Receivables (Current)	Mahindra & Mahindra Limited	**377**	69
	Tech Mahindra (Americas) Inc.	**1,410**	713
	Tech Talenta Inc.	**6**	-
	Tech Mahindra GmbH	**749**	34

₹ In Million

Balances as at	Name of the Party	As at	
		March 31, 2015	March 31, 2014
	Tech Mahindra (Singapore) Pte. Limited	**204**	42
	Tech Mahindra (Thailand) Limited	**17**	51
	PT Tech Mahindra Indonesia	**100**	25
	Tech Mahindra (Malaysia) SDN. BHD.	**73**	180
	Tech Mahindra (Beijing) IT Services Limited	**5**	5
	Tech Mahindra (Bahrain) Limited S.P.C	**0**	22
	Tech Mahindra (Nigeria) Limited	**474**	386
	Tech Mahindra BPO Limited	**88**	20
	Tech Mahindra (Shanghai) Co. Limited	**83**	44
	Comviva Technologies Limited	**8**	7
	Tech Mahindra Servicos De Informatica LTDA	**185**	84
	Satyam Computer Services (Egypt) S.A.E	**32**	31
	Satyam Colombia Servicos DE Informatica SAS	**2**	13
	Complex IT Solution Consultoria EM Informatica S/A.	**-**	3
	Tech Mahindra South Africa Pty Ltd.	**2**	-
	Tech Mahindra IPR Inc	**149**	-
	Tech Mahindra (Nanjing) Co. Limited	**6**	-
	Mahindra Technologies Services Inc.	**2**	-
	Mahindra Engineering Services (Europe) Limited	**10**	-
	Mahindra Engineering GmbH	**4**	-
	Citisoft Plc.	**0**	-
	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	**4**	-
Trade Receivables (Non – Current)	Mahindra & Mahindra Limited	**-**	7
	Tech Mahindra BPO Limited	**0**	0
	Satyam Computer Services (Egypt) S.A.E	**21**	21
	Satyam (Europe) Limited @	**114**	114
Contractual Obligation Receivable	Mahindra & Mahindra Limited	**0**	3
	Tech Mahindra (Americas) Inc.	**-**	42
	Tech Mahindra (Thailand) Limited	**-**	1
	Tech Mahindra (Nigeria) Limited	**-**	28
	Tech Mahindra BPO Limited	**21**	0
	Comviva Technologies Limited	**10**	8
	Tech Mahindra (Shanghai) Co. Limited	**-**	1
	Citisoft Plc.	**-**	4
	Satyam Venture Engineering Services Private Limited	**-**	0
	Tech Talenta Inc.	**4**	10

₹ In Million

Balances as at	Name of the Party	As at	
		March 31, 2015	March 31, 2014
Unbilled Revenue Receivable	Mahindra & Mahindra Limited	**5**	3
	Tech Mahindra GmbH	**239**	-
	Tech Mahindra (Nigeria) Limited	**-**	4
	Tech Mahindra (Shanghai) Co. Limited	**54**	44
	Comviva Technologies Limited	**-**	2
	Tech Mahindra Servicos De Informatica LTDA	**9**	28
	Mahindra Engineering Services (Europe) Limited	**16**	-
	Mahindra Engineering GmbH	**1**	-
	Mahindra Technologies Services Inc.	**0**	-
Unearned Revenue	Tech Mahindra (Shanghai) Co. Limited	**-**	1
	Mahindra & Mahindra Limited	**7**	-
Advances Receivable (Short term)	Tech Mahindra (Americas) Inc.	**640**	353
	Tech Mahindra GmbH	**137**	27
	Tech Mahindra (Singapore) Pte. Limited	**10**	1
	Tech Mahindra (Thailand) Ltd.	**0**	0
	PT Tech Mahindra Indonesia	**8**	42
	Tech Mahindra (Malaysia) SDN. BHD.	**1**	1
	Tech Mahindra (Bahrain) Limited S.P.C	**2**	4
	Tech Mahindra (Beijing) IT Services Limited	**0**	0
	Comviva Technologies FZ-LLC	**-**	0
	Tech Mahindra BPO Limited	**93**	7
	Satyam Venture Engineering Services Private Limited	**2**	2
	New vC Services Private Limited	**8**	11
	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	**-**	43
	Tech Mahindra (Shanghai) Co. Limited	**5**	-
	Mahindra Educational Institutions	**-**	11
	Tech Mahindra Business Services Limited	**59**	0
	Citisoft Plc.	**4**	0
	Tech Mahindra South Africa Pty Ltd.	**9**	-
	Mahindra & Mahindra Limited	**16**	-
	Mahindra Technologies Services Inc.	**3**	-
	Tech Talenta Inc.	**4**	-
	TechM IT Services GmbH	**6**	-
Advances Receivable (Long term)	Satyam Computer Services (Egypt) S.A.E	**28**	28
	Satyam Europe Ltd @	**269**	269
	Vision Compass Inc	**346**	346
	Tech Mahindra (Nigeria) Limited	**79**	70
	Mahindra Educational Institutions	**-**	0
	Tech Mahindra Servicos De Informatica LTDA	**55**	-
	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	**56**	-

₹ **In Million**

Balances as at	Name of the Party	As at	
		March 31, 2015	March 31, 2014
Interest Receivable	Tech Mahindra South Africa (Pty) Limited	**1**	-
Donation Payable	Tech Mahindra Foundation	**-**	3
Payable to Key management personnel (Trade Payables)	Mr. Vineet Nayyar	**11**	11
	Mr. C P Gurnani	**8**	7
	Milind Kulkarni	**2**	-
	G. Jayaraman	**1**	-
	Gokul Jayaraman	**0**	-

* Erstwhile Satyam had given an interest free loan to Satyam Associates Trust amounting to ₹ 50 Million in the earlier years (Balance as at March 31, 2015: ₹ 18 Million). The loan was provided by erstwhile Satyam in the prior years as a funding to the Trust for repayment of loans obtained by the Trust from external parties. As per the terms of understanding with the Trust, the loan is repayable by the Trust to the Company on receipt of the exercise price from the employees who have been allotted options under the erstwhile ASOP-A scheme.

@ The company has been liquidated / dissolved as per the laws of the respective country. However, the Company is awaiting approval from the Reserve Bank of India for writing off these amounts from the books of the Company. Such outstanding amount has been fully provided for, net of payables.

\# Stock options: Key Management Personnel

Particulars	Vineet Nayyar Executive Vice Chairman	C.P.Gurnani Managing Director	Milind Kulkarni Chief Financial Officer	G Jayaraman Company Secretary
Options exercised during the year ended March 31, 2015	692,567 [500,000]	781,926 [260,641]	6,667 [6,667]	7,135 [2,353]
Options granted during the year ended March 31, 2015	Nil [900,000]	Nil [900,000]	Nil [-]	Nil [-]
Options outstanding as at March 31, 2015	6,800,000 # [2,392,567]	6,800,000 # [2,481,926]	Nil [6,667]	14,708 # [10,812]

Figures in brackets "[ ]"are for the previous year ended March 31, 2014.
\# These outstanding options are post shares bonus issue and split (Refer note 3(ii)).

53. Additional Disclosures

53.1 Particulars of amount of loans and advances in nature of loans outstanding from subsidiaries as at March 31, 2015

₹ in Million

Name of the Company	Relationship	Balance as at March 31, 2015	Maximum amount outstanding during the year
Tech Mahindra (Nigeria) Limited	Subsidiary	141 [191]	191 [202]
Tech Mahindra South Africa (Pty) Limited	Subsidiary	40 [30]	40 [31]
Tech Mahindra BPO Limited	Subsidiary	670 [1,620]	1,620 [2,620]
Citisoft Inc	Subsidiary	- [-]	- [76]
Satyam Association Trust	Subsidiary	18 [28]	28 [-]
Satyam Computer Services (Egypt) S.A.E #	Subsidiary	59 [60]	60 [60]
Satyam (Europe) Limited *	Subsidiary	303 [303]	303 [303]
Vision Compass Inc*	Subsidiary	346 [346]	346 [346]

Figures in brackets "[ ]"are for the previous year ended March 31, 2014.

All the above mentioned amounts are interest free except –

- Loan to Tech Mahindra (Nigeria) Limited amounting to USD 1 Million (₹ 62 Million)
- Loan to Tech Mahindra South Africa (Pty) Limited USD 0.5 Million (₹ 31 Million)

\# This Company is in process of liquidation.

* These companies have been liquidated / dissolved as per the laws of the respective countries. However, the company is awaiting approval from Reserve Bank of India for writing off these amounts from the books of the company. Such outstanding amounts have been fully provided for, net of payables.

There are no loans and advances in the nature of loans as at March 31, 2015 where there is no repayment schedule / repayment beyond seven years.

Disclosure pursuant to Clause 32 of the listing agreement

Particulars	Loans and Advance	Amount outstanding as at March 31, 2015	Maximum amount outstanding during the year
To subsidiaries	Refer table above		
To associates	-	-	-
To firms / companies in which directors are interested (other than subsidiaries/associates mentioned above)	-	-	-
Where there is			
No Repayment schedule	-	-	-
Repayment beyond seven years	-	-	-
No Interest	Refer table above		
Interest rates below as specified under section 186 of the Act	-	-	-

53.2 Particulars of loans given \ investments made \ guarantees given, as required by clause (4) of Section 186 of the Companies Act, 2013

Name	Nature	Amount of loan outstanding as at 31.03.2015	Period	Rate of interest	Purpose
Tech Mahindra BPO Limited	Loan	670	1 – 36 months	-	Working capital requirement
Tech Mahindra (Nigeria) Limited		63	1 – 12 months	1-3 %	Working capital requirement
Tech Mahindra South Africa Pty Ltd.		31	1 – 36 months	1-3 %	Working capital requirement
Satyam Associates Trust		18	1 – 24 months	-	General corporate purpose
For details of investments made, refer Note 12					
Lightbridge Communications Corporation	Guarantee	₹ 5,687 Million (USD 91 Million)	Loan availed by LCC is repayable of demand		letter of support of USD 91 Million (₹ 5,687 Million) to banks for loans availed by LCC to repay the high cost loans

Note: The corresponding figures of the previous year has not been given as section 186 of the Companies Act, 2013 is applicable with effect from April 1, 2014.

54. Employee Stock Option Scheme

a) ESOP 2000

The Company has instituted "Employee Stock Option Plan 2000" (ESOP) for eligible employees and Directors of the Company and its subsidiaries. In terms of the said plan, the company has granted options to the eligible employees which vest at the rate of 33.33% on each successive anniversary of the grant date. The options can be exercised over a period of 5 years from the date of grant. Each option carries with it the right to purchase one equity share of the Company at the exercise price determined by the Company at the time of grant. The details of the options are as under:

Particulars	March 31, 2015	March 31,2014
Options outstanding at the beginning of the year	**484,830**	392,830
Options granted during the year	**-**	200,000
Options lapsed during the year	**-**	-
Options cancelled during the year	**1,160**	7,810
Options exercised during the year	**101,520**	100,190
Options outstanding at the end of the year	**382,150**	484,830
Adjusted (Split and Bonus) options granted and outstanding at the end of the year (Refer note 3(ii))	**1,528,600**	-

Out of the options outstanding as at March 31, 2015, there are 995,264 (March 31, 2014: 160,550) (Net of exercised & lapsed) vested options, which have not been exercised.

b) ESOP 2004

The Company has instituted "Employee Stock Option Plan 2004" (ESOP 2004) for eligible employees and Directors of the Company. In terms of the said plan, the Nomination and Remuneration Committee has granted options to employees of the Company. The options are divided into upfront options and performance options. The upfront options are divided into three sets which will entitle holders to subscribe to option shares at the end of first year, second year and third year. The vesting of the performance options will be decided by the Nomination and Remuneration Committee based on the performance of employees. The details of the options are as under:

Particulars	**March 31, 2015**	March 31, 2014
Options outstanding at the beginning of the year	**1,474,493**	2,235,134
Options granted during the year	**-**	-
Options lapsed during the year	**-**	-
Options cancelled during the year	**-**	-
Options exercised during the year	**1,474,493**	760,641
Options outstanding at the end of the year	**-**	1,474,493

Out of the options outstanding as at March 31, 2015, there are Nil (March 31, 2014: 1,474,493) (Net of exercised & lapsed) vested options, which have not been exercised.

c) ESOP 2006

The Company has instituted "Employee Stock Option Plan 2006 "(ESOP 2006) for eligible employees and Directors of the Company and its subsidiaries. In terms of the said plan, the Nomination and Remuneration Committee has granted options to the employees of the Company. The vesting of the options is 10%, 15%, 20%, 25%, and 30 % of total options granted after 12, 24, 36, 48 and 60 months, respectively from the date of grant. The maximum exercise period is 7 years from the date of grant. The details of the options are as under:

Particulars	**March 31, 2015**	March 31, 2014
Options outstanding at the beginning of the year	**890,780**	1,291,825
Options granted during the year	**-**	168,000
Options lapsed during the year	**-**	40,240
Options cancelled during the year	**64,150**	70,575
Options exercised during year	**158,940**	458,230
Options outstanding at the end of the year	**667,690**	890,780
Adjusted (Split and Bonus) options granted and outstanding at the end of the year (Refer note 3(ii))	**2,670,760**	-

Out of the options outstanding as at March 31, 2015, there are 827,660 (March 31, 2014: 209,255) (net of exercised & lapsed) vested options, which have not been exercised.

d) ESOP 2010

The Company has instituted "Employee Stock Option Plan 2010 "(ESOP 2010) for eligible employees and Directors of the Company and its subsidiaries. In terms of the said Plan, options to the employees and Directors in form of Options shall vest at the rate of 33.33% on each successive anniversary of the grant date. The options can be exercised over a period of 5 years from the date of grant. Each Option carries with it the right to purchase one equity share of the Company at the exercise price determined by Nomination and Remuneration Committee. The details of the options are as under:

Particulars	**March 31, 2015**	March 31, 2014
Options outstanding at the beginning of the year	**1,981,083**	2,166,874
Options granted during the year	**-**	3,350
Options lapsed during the year	**-**	-
Options cancelled during the year	**11,002**	40,002
Options exercised during the year	**157,902**	149,139
Options outstanding at the end of the year	**1,812,179**	1,981,083
Adjusted (Split and Bonus) options granted and outstanding at the end of the year (Refer note 3(ii))	**7,248,714**	-

Out of the options outstanding as at March 31, 2015, there are 7,239,794 (March 31, 2014: 1,777,364) (net of exercised & lapsed) vested options, which have not been exercised.

e) TML ESOP – B 2013

Erstwhile Satyam has established a scheme 'Associate Stock Option Plan – B' (ASOP - B) under which 28,925,610 options were available for grant/exercise at the time the Scheme of Amalgamation became effective. Post-merger, these options were adjusted in terms of the approved Scheme of Amalgamation and obtained Listing approval for 3,403,013 options and each option entitles the holder one equity share of the company. These options vest over a period of 1-4 years from the date of the grant. Upon vesting, employees have 5 years to exercise the options. Post-merger, the name of the ESOP scheme has been changed to 'TML ESOP B 2013'. The details of the options are as under:

Particulars	**March 31, 2015**	March 31, 2014
Options outstanding at the beginning of the year	**2,951,823**	1,731,333
Options granted during the year	**76,000**	1,921,889
Options lapsed during the year	**5**	150,023
Options cancelled during the year	**86,805**	185,957
Options exercised during the year	**414,605**	365,419
Options outstanding at the end of the year	**2,526,408**	2,951,823
Adjusted (Split and Bonus) options granted and outstanding at the end of the year (Refer note 3(ii))	**10,105,632**	-

Out of the options outstanding as at March 31, 2015, there are 4,626,468 (March 31, 2014: 851,296) (Net of exercised & lapsed) vested options, which have not been exercised.

f) TML- RSU

The erstwhile Satyam has established a scheme 'Associate Stock Option Plan - Restricted Stock Units (ASOP – RSUs)' to be administered by the Administrator of the ASOP – RSUs, a committee appointed by the Board of Directors of the erstwhile Satyam in May 2000. Under the scheme, 1,529,412 equity shares (equivalent number of equity shares post-merger) are reserved to be issued to eligible associates at a price to be determined by the Administrator which shall not be less than the face value of the share. These RSUs vest over a period of 1 - 4 years from the date of the grant. The maximum time available to exercise the warrants upon vesting is five years from the date of each vesting. Post-merger, the scheme has been adopted and approved by the shareholders of the Company and the name of the ESOP scheme has been changed to TML RSU. The Company has reissued respective options in the agreed ratio as per the merger scheme. The details of the options are as under:

Particulars	**March 31, 2015**	March 31, 2014
Options outstanding at the beginning of the year	**866,256**	717,615
Options granted during the year	**56,000**	248,912
Options lapsed during the year	**1,125**	1,524
Options cancelled during the year	**70,080**	42,914
Options exercised during year	**157,872**	55,833
Options outstanding at the end of the year	**693,179**	866,256
Adjusted (Split and Bonus) options granted and outstanding at the end of the year (Refer note 3(ii))	**2,772,714**	-

Out of the options outstanding as at March 31, 2015, there are 770,446 (March 31, 2014: 128,214) (Net of exercised & lapsed) vested options, which have not been exercised.

g) ESOP - A

Erstwhile Satyam had established an ESOP scheme viz., 'Associate Stock Option Plan – A' (ASOP - A) formulated prior to the SEBI Guidelines on ESOP and ESPS issued in 1999. This plan was administered through an employee's trust viz., Satyam Associates Trust (Satyam Trust). At the time the Scheme of Amalgamation and Arrangement became effective, the Satyam Trust was holding 2,055,320 shares of erstwhile Satyam, which post amalgamation were converted into 241,802 shares of the company at the approved share exchange ratio and this scheme has been transitioned and renamed as ESOP-A. Satyam Trust grants warrants to the employees of the company with an exercise price and terms of vesting advised by the Nomination and Remuneration Committee of the Company. Each warrant shall entitle the warrant holder one equity share. The exercise period is 30 days from the date of each vesting. The details of the options are as under:

Particulars	**March 31, 2015**	March 31, 2014
Options outstanding at the beginning of the year	**240,302**	-
Options granted during the year	**-**	242,802
Options lapsed during the year	**4,718**	-
Options cancelled during the year	**21,409**	2,500
Options exercised during the year	**48,596**	-
Options outstanding at the end of the year	**165,579**	240,302
Adjusted (Split and Bonus) options granted and outstanding at the end of the year (Refer note 3(ii))	**662,316**	-

Out of the options outstanding as at March 31, 2015, there are 11,392 (March 31, 2014: Nil) (Net of exercised & lapsed) vested options, which have not been exercised.

h) ESOP 2014

The Company has instituted "Employee Stock Option Plan 2014 "(ESOP 2014) for eligible employees of the Company and its subsidiaries. In terms of the said plan, the Nomination and Remuneration Committee grants options to the employees of the Company. The vesting of the options is 15%, 20%, 30%, and 35% of total options granted after 12, 24, 36, and 48 months respectively from the date of grant. The options can be exercised over a period of 5 years from the date of vesting. Each Option carries with it the right to purchase one equity share of the Company at the exercise price determined by Nomination and Remuneration Committee. The details of the options are as under:

Particulars	**March 31, 2015**
Options outstanding at the beginning of the year	**-**
Options granted during the year	**1,454,900**
Options lapsed during the year	**-**
Options cancelled during the year	**73,700**
Options exercised during the year	**-**
Options outstanding at the end of the year	**1,381,200**
Adjusted (Split and Bonus) options granted and outstanding at the end of the year (Refer note 3(ii))	**5,524,800**

Out of the options outstanding as at March 31, 2015, there are Nil (March 31, 2014: Nil) (Net of exercised & lapsed) vested options, which have not been exercised.

i) Employee Stock Option Scheme - ESOS, ESOS 3 and ESOS 4

Erstwhile MESL has established Employee Stock Option Scheme (ESOS) - ESOS, ESOS 3 and ESOS 4 for which 1,400,000, 928,332 and 155,666 equity shares respectively were earmarked. Post merger, as there were no outstanding options under the ESOS 3 and ESOS 4 and hence, these 2 are closed.

ESOS Scheme is administered through a Trust viz., MES Employees Stock Option Trust. The options under this Scheme vest over a period of 1 to 3 years from the date of the grant. Upon vesting, employees have

7 years to exercise the options. As on the effective date of amalgamation, only 18,084 options were unvested under ESOS which are being converted into equivalent options (30,144) of the company in the approved share exchange ratio.

Particulars	Year ended 31st March 2015		
	ESOS	**ESOS-3**	**ESOS-4**
Options outstanding at the beginning of the year	**802,556**	**928,332**	**155,666**
Options granted during April 1, 2014 to December 17, 2014	-	-	-
Options lapsed during April 1, 2014 to December 17, 2014	**8**	-	-
Options cancelled during April 1, 2014 to December 17, 2014	**1,444**	-	-
Options exercised during April 1, 2014 to December 17, 2014 #	**783,020**	**928,332**	**155,666**
Options outstanding as at December 17, 2014 #	**18,084**	-	-
Converted options in the approved share exchange ratio of 12:5*	**7,536**	-	-
Options granted during December 18, 2014 to March 31, 2015	-	-	-
Options lapsed during December 18, 2014 to March 31, 2015	-	-	-
Options cancelled during December 18, 2014 to March 31, 2015	-	-	-
Options exercised during December 18, 2014 to March 31, 2015	-	-	-
Options outstanding at the end of the year	**7,536**	-	-
Adjusted (Split and Bonus) options granted and outstanding (Refer note 3(ii))	**30,144**	-	-

December 17, 2014 being the book closure date for issue of equity shares on merger. Refer note 25

* Represents the adjusted outstanding options of erstwhile MESL in the approved share exchange ratio. Refer note 25

Out of the options outstanding at the end of the period 30,144 (net of exercised & lapsed) options have vested which have not been exercised.

j) The employee stock compensation cost for the Employee Stock Option Plan 2010, Employee Stock Option Plan 2000, Employee Stock Option Plan- B 2013, ESOP-A and TML-RSU schemes issued at par has been computed under the intrinsic value method and amortized over each vesting period. For the year ended March 31, 2015 the company has accounted for employee stock compensation cost amounting to ₹ 2,268 Million (March 31, 2014 ₹ 1,312 Million).

k) The Company uses the intrinsic value-based method of accounting for stock options granted after April 1, 2005. Had the compensation cost for the Company's stock based compensation plan been determined in the manner consistent with the fair value approach based on Black and Scholes model, the Company's net profit would be lower by ₹ 398 Million (March 31, 2014 : profit lower by ₹ 254 Million) and earnings per share as reported would be as indicated below:

₹ in Million except earnings per share

Particulars	For the Year ended	
	March 31, 2015	March 31, 2014
a) Profit after tax and before exceptional items (As reported)	**21,949**	25,655
b) Add: Exceptional Item – Income (refer note 39)	**613**	1,200
c) Net Profit after exceptional item	**22,562**	26,855
d) Stock-based employee compensation expense determined under fair value base method	**(398)**	(254)
Adjusted net profit (before exceptional item)	**21,551**	25,401
Adjusted net profit (after exceptional item)	**22,164**	26,601
Basic earnings per share (in ₹) (before exceptional item)		
As reported	**22.94**	27.58
Adjusted	**22.52**	27.31
Diluted earnings per share (in ₹) (before exceptional item)		
As reported	**22.33**	26.85

₹ in Million except earnings per share

Particulars	**For the Year ended**	
	March 31, 2015	March 31, 2014
Adjusted	**21.93**	26.58
Basic earnings per share (in ₹) (after exceptional item)		
As reported	**23.58**	28.87
Adjusted	**23.16**	28.60
Diluted earnings per share (in ₹) (after exceptional item)		
As reported	**22.96**	28.10
Adjusted	**22.55**	27.84

The fair value of each option is estimated on the date of grant based on the following assumptions (on weighted average basis):

Particulars	**For the Year ended**	
	March 31, 2015	March 31, 2014
Dividend yield (%)	**0.72**	0.55
Expected life	**5.30 Years**	4.33 Years
Risk free interest rate (%)	**8.58**	8.46
Volatility (%)	**37.43**	36.91

55. Earnings Per Share is calculated as follows

₹ in Million except earnings per share

Particulars	**For the Year ended**	
	March 31, 2015	March 31, 2014
Profit after taxation and before exceptional item	**21,949**	25,655
Add: Exceptional item (Refer note 39)	**613**	1,200
Profit after taxation and exceptional item	**22,562**	26,855
Net Profit attributable to shareholders	**22,562**	26,855
Equity Shares outstanding as at the end of the year (in nos.)*	**960,788,912**	933,891,544
Weighted average Equity Shares outstanding as at the end of the year (in nos.)*	**957,023,671**	930,120,408
Weighted average number of Equity Shares used as denominator for calculating Basic Earnings Per Share*	**957,023,671**	930,120,408
Add: Dilutive impact of employee stock options*	**25,823,764**	25,475,308
Number of Equity Shares used as denominator for calculating Diluted Earnings Per Share*	**982,847,435**	955,595,716
Nominal Value per Equity Share (in ₹)*	**5.00**	5.00
Earnings Per Share*		
- Before Exceptional Item		
Earnings Per Share (Basic) (in ₹)	**22.94**	27.58
Earnings Per Share (Diluted) (in ₹)	**22.33**	26.85
- After Exceptional Item		
Earnings Per Share (Basic) (in ₹)	**23.58**	28.87
Earnings Per Share (Diluted) (in ₹)	**22.96**	28.10

* For the previous year, the equity shares and basic and diluted earnings per share has been presented to reflect the adjustment for bonus share and split in accordance with Accounting Standard 20 Earnings per share. Refer Note 3.

56. Segment information has been presented in the Consolidated Financial Statements as permitted by Accounting Standard (AS 17) on Segment Reporting as notified under the Companies (Accounting Standard) Rules, 2014.

57. Based on the information available with the Company, there are no outstanding amount payable to creditors who have been identified as “suppliers” within the meaning of “Micro, Small and Medium Enterprises Development (MSMED) Act, 2006”.

58. The Board of Directors of the Company in their meeting held on May 26, 2015 have approved the “Scheme of Amalgamation and Arrangement under applicable provisions of the Companies Act, 2013 of Tech Mahindra BPO Limited and New vC Services Private Limited (both are 100% subsidiaries of Tech Mahindra Limited) with the Company” (“the Scheme”). The Appointed date of the Scheme is April 1, 2015.

As the amalgamating companies are wholly owned by the Company, no shares would be issued to shareholders of amalgamating companies.

59. Previous period’s figures have been regrouped / reclassified wherever necessary, to correspond with the current period’s classification / disclosure.

For and on behalf of the Board of Directors

Anand G. Mahindra
Chairman

C. P. Gurnani
Managing Director & CEO

Bharat Doshi
Director

M. Rajyalakshmi Rao
Director

Ravindra Kulkarni
Director

Milind Kulkarni
Chief Financial Officer

Place: Mumbai, India
Dated: May 26, 2015

Vineet Nayyar
Executive Vice Chairman

Anupam Puri
Director

M. Damodaran
Director

T. N. Manoharan
Director

Ulhas N. Yargop
Director

G. Jayaraman
Company Secretary

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
TECH MAHINDRA LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Tech Mahindra Limited (hereinafter referred to as the Holding Company or Company) and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the consolidated financial statements).

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

Attention is invited to the following matter in respect of the erstwhile Satyam Computer Services Limited (erstwhile Satyam), amalgamated with the Company with effect from April 1, 2011:

As stated in Note 33.3, the alleged advances to the erstwhile Satyam, amounting to ₹ 12,304 Million (net) relating to prior years has been presented separately under “Amounts pending investigation suspense account (net)” in the Balance Sheet. The details of these claims and the related developments are more fully described in the said Note.

Further, as stated in the said Note, the Company’s Management is of the view that the claim regarding repayment of the alleged advances not being legally tenable has been reinforced in view of the developments described in the said Note including based on legal opinion. However, pending the final outcome of the recovery suit filed by the 37 companies in the City Civil Court and the Enforcement Directorate matter under the Prevention of Money Laundering Act pending before the Honourable High Court, the Company, as a matter of prudence, at this point of time, is continuing to classify the amounts of the alleged advances as “Amounts pending investigation suspense account (net)”, and the same would be appropriately dealt with/reclassified when the final outcome becomes clearer. Also, in the opinion of the Company’s Management, even if the principal amounts of such claims are held to be tenable and the Company is required to repay these amounts, such an eventuality should not have an adverse bearing on either the Company’s profits or its reserves in that period, since the Company has been legally advised that no damages / compensation / interest would be payable even in such an unlikely event.

In the absence of complete / required information, and since the matter is sub-judice, we are unable to comment on the accounting treatment / adjustments / disclosures relating to the aforesaid alleged advances amounting to ₹ 12,304 Million (net) and the related claims for damages / compensation / interest, which may become necessary as a result of the ongoing legal proceedings and the consequential impact, if any, on these financial statements. However, in the eventuality of any payment upto ₹ 12,304 Million, against the aforesaid claims for the principal amounts of the alleged advances, there should be no impact on the profits / losses or reserves of the Company.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the matter described in the Basis for Qualified Opinion in paragraph above, the consequential effects, if any, of which are not quantifiable, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters:

(a) Notes 33.1 and 33.2 - In respect of the financial irregularities in the erstwhile Satyam relating to prior years identified consequent to the letter dated January 7, 2009 of the then Chairman of erstwhile Satyam, various regulators/investigating agencies initiated their investigations and legal proceedings, which are ongoing.

The Company’s Management is of the view that the above investigations / proceedings would not result in any additional material provisions / write-offs / adjustments (other than those already provided for / written-off or disclosed) in the financial statements of the Company.

(b) In respect of the non-compliances / breaches in the erstwhile Satyam relating to certain provisions of the Companies Act, 1956, certain employee stock option guidelines issued by the Securities Exchange Board of India and certain matters under the provisions of FEMA, observed in the prior years under its erstwhile management (prior to the appointment of Government nominated Board).

As per the Company’s Management, any adjustments, if required, in the financial statements of the Company would be made as and when the outcomes of the above matters are concluded.

(c) Note 31.5 - Appeals against the order by the single judge of the Honourable High Court of Andhra Pradesh approving the Scheme of merger have been filed by 37 companies before the Division Bench of the Honorable High Court of Andhra Pradesh. No interim orders have been passed and the appeals are pending hearing.

(d) As stated in Note 37.2.2.v, erstwhile Satyam was carrying a total amount of ₹ 4,989 Million (net of taxes paid) as at March 31, 2013 (that is, before giving effect to its amalgamation with the Company) towards provision for taxation, including for the prior years for which the assessments are under dispute. Subsequent to the amalgamation, duly considering the professional advice obtained in the matter, the Company's Management has re-evaluated the effects of the possible outcomes of the tax matters in dispute relating to erstwhile Satyam and the estimated excess tax provision amounting to ₹ 2,266 Million determined based on such evaluation in respect of the prior years has been written back during the year ended March 31, 2014. The Company's Management is of the view that the balance provision for taxation carried in the books with respect to the prior year disputes relating to erstwhile Satyam is adequate.

(e) In the case of one of the subsidiary of the Company whose financial statements / financial information reflect total assets (net) of ₹ 1,315 Million as at March 31, 2015 and total revenues of ₹ 1,438 Million and net cash outflows amounting to ₹ 25 Million for the year ended on that date as considered in the consolidated financial results, the other auditors have drawn attention to the possible charge that may arise in respect of the on-going dispute, which is currently sub judice, between the promoters of the subsidiary on various issues relating to the shareholders agreement, the outcome of which is not determinable at this stage.

Further, the auditors have drawn attention to the fact that the annual financial statements for the years ended March 31, 2012, March 31, 2013 and March 31, 2014 have not been adopted by the members of that subsidiary in their respective annual general meetings in the absence of unanimous consent of both the shareholders in terms of the Articles of Association of the subsidiary company. The financial statements as at and for the year ended March 31, 2015 have been drawn up incorporating the opening balances based on the above mentioned financial statements which have not been adopted by the shareholders of the subsidiary company. Adjustments to the opening balances, if any, will be made in the financial statements as and when determined.

Our opinion is not modified in respect of these matters.

Other Matters

(a) We did not audit the financial statements / financial information of 124 subsidiaries whose financial statements/financial information reflect total assets of ₹ 28,282 Million as at March 31, 2015, total revenues of ₹ 26,520 Million and net cash inflows amounting to ₹ 421 Million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 1 Million for the year ended March 31, 2015, as considered in the consolidated financial statements, in respect of 2 associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(b) We did not audit the financial statements / financial information of 21 subsidiaries whose financial statements / financial information reflect total assets of ₹ 2,232 Million as at March 31, 2015, total revenues of ₹ 149 Million and net cash outflows amounting to ₹ 3 Million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ Nil for the year ended March 31, 2015, as considered in the consolidated financial statements, in respect of an associate, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and an associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associate, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 (the Order), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) Except for the effects of the matter described in the Basis for Qualified Opinion in paragraph above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) Except for the effects of the matter described in the Basis for Qualified Opinion in paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) Except for the effects of the matter described in the Basis for Qualified Opinion in paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.

   (f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports, wherever received, of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

   (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates - Refer Note 33, 34, 35, 37, 39 and 40 to the consolidated financial statements;

      ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts in respect of such items as it relates to the Group and its associates and the Group's share of net profit in respect of its associates.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. B. Jani
Partner
(Membership No. 46488)

Place: Mumbai, India
Date: May 26, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT
Re: TECH MAHINDRA LIMITED

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Our reporting on the Order includes 6 subsidiary companies incorporated in India, to which the Order is applicable, which have been audited by other auditors and our report in respect of these entities is based solely on the reports of the other auditors, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

(i) In respect of the fixed assets of the Holding Company and subsidiary companies incorporated in India:

(a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The major portions of the fixed assets were physically verified during the year by the Management of the respective entities in accordance with a regular programme of verification, which, in our opinion and the opinion of the other auditors, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us and the other auditors, no material discrepancies were noticed on such verification.

(ii) In respect of the inventories of a subsidiary company incorporated in India:

a) As explained to other auditor, the inventories were physically verified during the year by the Management of the subsidiary company at reasonable intervals.

b) In the opinion of other auditor and according to the information and explanations given to the other auditor, the procedures of physical verification of inventories followed by the Management of the subsidiary company were reasonable and adequate in relation to the size of the subsidiary company and the nature of their business.

c) In the opinion of other auditor and according to the information and explanations given to other auditor, the subsidiary company have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.

(iii) The Holding Company and subsidiary companies incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 by the respective entities.

(iv) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, there is an adequate internal control system in the Holding Company and subsidiary companies incorporated in India, commensurate with the size of the respective entities and the nature of their business for the purchase of inventory and fixed assets and for the sale of goods and services and during the course of our audit and audit of other auditors no continuing failure to correct major weaknesses in such internal control system has been observed. There are no purchases of inventories during the year in the Holding Company.

(v) According to the information and explanations given to us and the other auditors, the Holding Company and subsidiary companies incorporated in India have not accepted any deposit during the year. Therefore, the provisions of the clause (v) of paragraph 3 of the Order are not applicable to the Holding Company and subsidiary companies incorporated in India.

(vi) According to the information and explanations given to us and the other auditors, the provisions of the clause (vi) of paragraph 3 of the Order are not applicable to the Holding Company and subsidiary companies incorporated in India as these companies are not covered by the Companies (Cost Records and Audit) Rules, 2014.

(vii) According to the information and explanations given to us and the other auditors, in respect of statutory dues:

(a) The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to the respective entities with the appropriate authorities.

(b) There were no undisputed amounts payable by the respective entities in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2015, for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on March 31, 2015 on account of disputes by the aforesaid entities are given below:

₹ in Million

Name of Statute	**Nature of Dues**	**Forum where Dispute is pending**	**Period to which the amount relates**	**Amount involved**
The Income-tax Act,1961	Income-tax	Income-tax Appellate Tribunal	Financial Year 2003-04	151.69
The Income-tax Act,1961	Income-tax	Income-tax Appellate Tribunal	Financial Year 2004-05	150.46
The Income-tax Act,1961	Income-tax	Supreme Court	Financial Year 2004-05	39.55
The Income-tax Act,1961	Income-tax	High Court	Financial Year 2005-06	2.83
The Income-tax Act,1961	Income-tax	Income-tax Appellate Tribunal	Financial Year 2005-06	1.57
The Income-tax Act,1961	Income-tax	Income-tax Appellate Tribunal	Financial Year 2007-08	16.63
The Income-tax Act,1961	Income-tax	Income-tax Appellate Tribunal	Financial Year 2007-08	29.09
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)	Financial Year 2007-08	1.43
The Income-tax Act,1961	Income-tax	High Court	Financial Years 2002-03 to 2007-08	5,967.31 #
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)	Financial Year 2001-02	8.11 #
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)	Financial Year 2008-09	55.32
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)	Financial Year 2009-10	670.98
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)	Financial Year 2009-10	24.80
The Income-tax Act,1961	Income-tax	Dispute Resolution Panel	Financial Year 2010-11	515.77
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)	Financial Year 2007-08	18.12
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)*	Financial Year 2010-11	88.88
The Income-tax Act,1961	Income-tax	Income-tax Appellate Tribunal	Financial Year 2006-07	6.03
The Income-tax Act,1961	Income-tax	Income-tax Appellate Tribunal	Financial Years 2001-02 to 2009-10	7.20
The Income-tax Act,1961	Income-tax	Assistant Commissioner of Income-tax	Financial Year 2004-05	3.31 **
The Income-tax Act,1961	Income-tax	Assistant Commissioner of Income-tax	Financial Year 2005-06	2.27

₹ in Million

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved
The Income-tax Act,1961	Income-tax	Assessing Officer	Financial Year 2006-07	1.04
The Income-tax Act,1961	Income-tax	Assistant Commissioner of Income-tax	Financial Year 2006-07	2.41 ##
The Income-tax Act,1961	Income-tax	Income-tax Appellate Tribunal	Financial Year 2007-08	40.00
The Income-tax Act,1961	Income-tax	Income-tax Appellate Tribunal	Financial Year 2008-09	315.00
The Income-tax Act,1961	Income-tax	Income-tax Appellate Tribunal	Financial Year 2009-10	276.00
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)	Financial Year 2005-06	24.41
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)	Financial Year 2010-11	19.20
Finance Act, 1994	Service Tax	Commissioner of Central Excise	Financial Years 2003-04 to 2006-07	12.86
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2004-05 to 2007-08	86.60
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2004-05 to 2008-09	118.77
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2005-06 to 2007-08	46.43
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2008-09 to 2010-11	169.50
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2007-08 to 2010-11	179.78
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2008-09 to 2013-14	11,857.56
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Year 2008-09	11.73
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2012-13 to 2013-14	893.60
Finance Act,1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal*	Financial Years 2004-05 to 2007-08	407.37
Finance Act, 1994	Service Tax	Commissioner of Service Tax	Financial Years 2007-08 to 2012-13	32.00
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2006-07 to 2010-11	266.17
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Year 2011-12	7.00
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Year 2012-13	1.23
Andhra Pradesh VAT Act, 2005	Value Added Tax	Sales Tax Appellate Tribunal	Financial Year 2007-08	6.78
Andhra Pradesh VAT Act, 2005/ Central Sales Tax Act, 1956	Sales Tax / Value Added Tax	High Court	Financial Years 2007-08 to 2010-11	155.65
Central Sales Tax Act, 1956	Central Sales Tax	The Appellate Deputy Commissioner (Commercial Tax)	Financial Year 2011-12	37.29
Delhi Value Added Tax Act, 2004	Value Added Tax	The Addl. Commissioner VAT	May 2012	2.81

₹ in Million

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved
Delhi Value Added Tax Act, 2004	Value Added Tax	The Addl. Commissioner VAT	Financial Year 2012-13	0.19
Delhi Value Added Tax Act, 2004	Value Added Tax	The Addl. Commissioner VAT	Financial Year 2013-14	2.29
The Maharashtra Value Added Tax Act, 2002	Value Added Tax	Joint Commissioner of Sales Tax (Appeal)	Financial Year 2008-09	4.19
Central Sales Tax Act, 1956	Central Sales Tax (Gujarat)	Deputy Commissioner of Commercial Tax (Appeal)	Financial Years 2006-07 to 2008-09	5.60
Himachal Pradesh Value Added Tax Act, 2005	Value Added Tax	Additional Excise and Taxation Commissioner Cum-Appellate Authority	Financial Year 2013-14	7.83
Maharashtra Tax on Entry of Goods in to Local Areas Ordinance, 2002	Entry Tax – Maharashtra	Deputy Commissioner (Appeal) Sales Tax	Financial Years 2008-09 to 2011-12	41.71
Wealth Tax Act, 1957	Wealth Tax	Commissioner Wealth Tax (Appeal)	Financial Years 2006-07 to 2008-09 and 2010-11	19.24 @
Revenue & Taxation Code, USA	Franchise Tax	State Board of Equalization, California	January 2003 – December 2005	9.03
Revenue & Taxation Code, USA	Pennsylvania state Income-tax	Commonwealth of Pennsylvania Department of Revenue	Financial Years 1988 – 2005	4.64
Decree of the President of the Republic of Italy	Tax on purchase of shares	Regional Court of Emilia Romagna, Italy	Financial Year 2008-09	8.14
The Karnataka Stamp Act 1957	Stamp Duty	High Court	Financial Year 2006-07	1.08
The Customs Act, 1962	Custom Duty	Customs Excise & Service Tax Appellate Tribunal	Financial Year 1996-97	1.19
Chad Tax Administration	Withholding Tax	Deputy General Manager of Tax Authorities	Calendar year 2012	4.12
Indian Telegraph Act, 1885	License Fees	Telecom Disputes Settlement and Appellate Tribunal	Financial Years 2007-08 to 2014-15	40.00

* The filing of the appeal is in process.

** Excluding amount paid under protest: ₹ 2 million.

@ Amount of ₹ 20 Million paid under protest after March 31, 2015

The above excludes the Income-tax Draft Notices of Demand amounting to ₹ 7,952 Million and ₹ 9,637 Million for financial years 2001-02 and 2006-07 respectively, issued by the Additional Commissioner of Income-tax under Section 143(3) read with Section 147 of the Income-tax Act, 1961, against which the Holding Company has filed its objections with the Dispute Resolution Panel, which is pending disposal.

Excluding amount paid under protest: ₹ 2 million.

(d) The Holding Company has been generally regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time. According to the information and explanations given to the other auditors, in respect of subsidiary companies incorporated in India, there are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.

(viii) Except for the consequential effects, if any, of our comments in paragraph under 'Basis for Qualified Opinion' section of the Independent Auditors' Report which are not quantifiable, the Group does not have consolidated accumulated losses at the end of the financial year and the Group has not incurred cash losses on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.

(ix) In our opinion and according to the information and explanations given to us, the Holding Company has not defaulted in the repayment of dues to banks and debenture holders and there are no dues payable to financial institutions. In the opinion of the other auditors of subsidiary companies incorporated in India and according to the information and explanations given to them, the subsidiary companies incorporated in India have no dues to financial institutions, banks and debenture holders.

(x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Holding Company for loans taken by others from banks and financial institutions are not, prima facie, prejudicial to the interests of the Holding Company. According to the information and explanations given to the other auditors, the subsidiary companies incorporated in India have not given any guarantee for loans taken by others from bank and financial institutions.

(xi) According to the information and explanations given to us and the other auditors, the Holding Company and subsidiary companies incorporated in India did not avail any term loan during the year.

(xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Holding Company and its subsidiaries incorporated in India and no material fraud on the Holding Company and its subsidiaries incorporated in India has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. B. Jani
Partner
(Membership No. 46488)

Place: Mumbai, India
Date: May 26, 2015

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015

₹ in Million

		Note		March 31, 2015	March 31, 2014
I	**EQUITY AND LIABILITIES**				
1	**Shareholders' Funds**				
	(a) Share Capital	3	**4,804**		2,335
	(b) Reserves and Surplus	4	**117,682**		89,470
				122,486	91,805
2	**Share Application Money Pending Allotment (refer note 42)**			**3**	15
3	**Minority Interest**			**1,601**	1,438
4	**Non-Current Liabilities**				
	(a) Long-Term Borrowings	5	**460**		190
	(b) Other Long-Term Liabilities	6	**440**		3,757
	(c) Long-Term Provisions	7	**4,101**		4,138
				5,001	8,085
5	**Current Liabilities**				
	(a) Short-Term Borrowings	8	**6,286**		334
	(b) Trade Payables	9	**20,587**		14,722
	(c) Other Current Liabilities	10	**12,226**		18,024
	(d) Short-Term Provisions	11	**17,987**		12,669
				57,086	45,749
6	**Amount Pending Investigation Suspense Account (Net) (refer note 33.3)**			**12,304**	12,304
				198,481	159,396
II	**ASSETS**				
1	**Non-Current Assets**				
	(a) Fixed Assets	12			
	(i) Tangible Assets		**22,040**		19,459
	(ii) Intangible Assets		**1,006**		845
	(iii) Capital Work-in-Progress		**5,677**		2,662
				28,723	22,966
	(b) Goodwill on Consolidation			**17,283**	5,640
	(c) Non-Current Investments	13		**12,987**	12,194
	(d) Deferred Tax Asset (refer note 52)			**3,901**	3,830
	(e) Long-Term Loans and Advances	14		**12,755**	9,137
	(f) Other Non-Current Assets	15		**306**	210
				75,955	53,977
2	**Current Assets**				
	(a) Current Investments	16	**8,041**		2,525
	(b) Inventory	17	**245**		98
	(c) Trade Receivables	18	**52,059**		43,486
	(d) Cash and Bank Balances	19	**24,049**		33,149
	(e) Short-Term Loans and Advances	20	**18,728**		14,544
	(f) Other Current Assets	21	**19,404**		11,617
				122,526	105,419
				198,481	159,396
	See accompanying notes forming part of the financial statements	1 to 64			

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

A. B. Jani
Partner

For Tech Mahindra Limited

Anand G. Mahindra Chairman	Vineet Nayyar Executive Vice Chairman	C. P. Gurnani Managing Director & CEO
Anupam Puri Director	Bharat Doshi Director	M. Damodaran Director
M. Rajyalakshmi Rao Director	Ravindra Kulkarni Director	T. N. Manoharan Director
Ulhas N. Yargop Director		
Milind Kulkarni Chief Financial Officer	G. Jayaraman Company Secretary	

Mumbai, India, May 26, 2015

Mumbai, India, May 26, 2015

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

₹ in Million except Earnings per share

		Note	**Year ended March 31, 2015**	Year ended March 31, 2014
I	Revenue from Operations		**226,213**	188,314
II	Other Income (net)	22	**1,065**	1,130
III	**Total Revenue (I + II)**		**227,278**	189,444
IV	**Expenses:**			
	Employee Benefits Expense	23	**119,137**	97,355
	Subcontracting Expenses		**28,343**	17,114
	Finance Costs	24	**299**	799
	Depreciation and Amortisation Expense	24 A	**6,114**	5,222
	Other Expenses	25	**37,204**	32,007
	Total Expenses		**191,097**	152,497
V	**Profit before Exceptional Item, Tax, Minority Interest and Share in Profit/ (Loss) of Associates (III - IV)**		**36,181**	36,947
VI	Exceptional Item - Income (refer note 59)		**-**	1,200
VII	**Profit before Tax, Minority Interest and Share in Profit/ (Loss) of Associates (V + VI)**		**36,181**	38,147
VIII	Tax Expense:			
	(a) Current Tax (refer note 55)		**9,463**	10,313
	(b) MAT charge / (credit)		**102**	(174)
	(c) Earlier years excess provision written back (refer note 37.2.2.v)		**-**	(2,266)
	(d) Deferred Tax		**30**	(350)
IX	**Profit after Tax before Minority Interest and Share in Profit/ (Loss) of Associates (VII-VIII)**		**26,586**	30,624
X	Minority Interest		**(310)**	(336)
XI	Share in Profit/(Loss) of Associates		**1**	-
XII	Net Profit for the year (IX+X+XI)		**26,277**	30,288
	Earnings Per Equity Share (face value ₹ 5) (Before exceptional item) in ₹ (refer note 54)			
	(a) Basic		**27.46**	31.27
	(b) Diluted		**26.74**	30.44
	Earnings Per Equity Share (face value ₹ 5) (After exceptional item) in ₹ (refer note 54)			
	(a) Basic		**27.46**	32.56
	(b) Diluted		**26.74**	31.70
	See accompanying notes forming part of the financial statements	1 to 64		

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

A. B. Jani
Partner

Mumbai, India, May 26, 2015

For Tech Mahindra Limited

Anand G. Mahindra
Chairman

Vineet Nayyar
Executive Vice Chairman

C. P. Gurnani
Managing Director & CEO

Anupam Puri
Director

Bharat Doshi
Director

M. Damodaran
Director

M. Rajyalakshmi Rao
Director

Ravindra Kulkarni
Director

T. N. Manoharan
Director

Ulhas N. Yargop
Director

Milind Kulkarni
Chief Financial Officer

G. Jayaraman
Company Secretary

Mumbai, India, May 26, 2015

CONSOLIDATED CASH FLOW FOR THE YEAR ENDED MARCH 31, 2015

₹ in Million

	Particulars		Year ended March 31, 2015	Year ended March 31, 2014
A	**Cash Flow from Operating Activities**			
	Profit before Tax but after Exceptional Item		**36,181**	38,147
	Less: Exceptional Item		**-**	1,200
	Profit before Exceptional Item, Tax, Minority Interest and Share in Earnings of Associate		**36,181**	36,947
	Adjustments for :			
	Depreciation and Amortisation Expense	**6,114**		5,222
	Amortisation of Deferred Revenue	**(1)**		(1,707)
	Provision for Doubtful Receivables, Unbilled Revenue and other Advances, Bad debts, Deposits and Loans and Advances written off (net)	**800**		1,456
	Provision for Impairment in Non-Current Investment	**-**		243
	Customer Claims and Warranties (net)	**94**		136
	(Profit) / Loss on Sale of Fixed Assets (net)	**9**		(113)
	Finance Costs	**299**		799
	Unrealised Exchange (Gain) / Loss (net)	**(489)**		1,043
	Employee Stock Compensation Cost	**2,268**		1,312
	Reversal of Provision no longer required on Non-Current Investments written back	**-**		(86)
	Interest Income	**(1,611)**		(2,045)
	Dividend Income	**(354)**		(156)
			7,129	6,104
	Operating Profit before working capital changes		**43,310**	43,051
	Trade Receivables and Other Assets	**(8,524)**		(20,435)
	Trade Payables, Other Liabilities and Provisions	**26**		4,287
			(8,498)	(16,148)
	Cash Generated from Operations		**34,812**	26,903
	Income Tax Refund / (Paid) (net)		**(10,725)**	(10,941)
	Net Cash Flow from / (used in) Operating Activities (A)		**24,087**	15,962
B	**Cash Flow from Investing Activities**			
	Purchase of Fixed Assets	**(11,231)**		(9,397)
	Proceeds from Sale of Fixed Assets	**99**		259
	Purchase of Current Investments	**(68,197)**		(47,298)
	Sale of Current Investments	**63,726**		46,674
	Purchase of Treasury Bonds	**-**		(7)
	Acquisition of Company	**(12,685)**		(355)
	Additional Investment in Subsidiaries (refer note 27 (o) and 27 (m))	**(1,075)**		(756)
	Sale of investment in Subsidiary	**-**		217
	Additions in Investment Property (refer note 47 (e))	**(265)**		-
	Fixed Deposit / Margin Money Realised	**28,772**		31,640
	Fixed Deposit / Margin Money Placed	**(22,234)**		(25,349)
	Interest Received	**2,168**		2,476
	Net Cash Flow from / (used in) Investing Activities (B)		**(20,922)**	(1,896)
C	**Cash Flow from Financing Activities**			
	Proceeds from Issue of Equity Shares (Including Share Application Money)	**582**		497
	Repayment of Loan by Related party	**10**		-
	Dividend (Including Tax on Dividend) paid	**(5,496)**		(1,359)
	Proceeds from Long-Term Borrowings	**21**		221
	Repayment of Long-Term Borrowings	**(5,765)**		(3,049)
	Proceeds from Short-Term Borrowings	**8,024**		8,521
	Repayment of Short-Term Borrowings	**(4,635)**		(13,580)
	Finance Costs	**(639)**		(974)
	Net Cash Flow from / (used in) Financing Activities (C)		**(7,898)**	(9,723)

CONSOLIDATED CASH FLOW FOR THE YEAR ENDED MARCH 31, 2015

₹ in Million

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**(4,733)**	4,343
Cash and Cash Equivalents at the beginning of the year	**14,519**	5,371
Increase in Cash and Cash Equivalents on Amalgamation (refer note 31 and 32)	**821**	5,023
Decrease in Cash and Cash Equivalents on Disposal of Subsidiary	**-**	(219)
Increase in Cash and Cash Equivalents on Acquisition (refer note 27 (e), (i) and (k))	**1,449**	1
Cash and Cash Equivalents (refer note (ii)) at the end of the	**12,056**	14,519

Notes :

i) Purchase of Fixed Assets are stated inclusive of movements of Capital Work-in-Progress, Capital Creditors and Capital Advances between the commencement and end of the period and are considered as part of Investing Activity.

ii)

₹ in Million

Particulars	**March 31, 2015**	March 31, 2014
Cash and Cash Equivalents *	**12,082**	15,167
Unrealised Loss/(Gain) on Foreign Currency Balances	**(26)**	(648)
Total	**12,056**	14,519
*** Cash and Cash Equivalents Comprises of**		
(a) Cash on Hand	**10**	2
Balances with Banks :		
(a) In Current Accounts	**9,571**	14,182
(b) In Deposit Accounts	**2,119**	896
(c) Funds in Transit	**382**	87
	12,082	15,167
Reconciliation of Cash and Cash Equivalents with the Balance Sheet		
Cash and Bank Balances (refer note 19)	**24,049**	33,149
Less:		
In Deposit Accounts	**6,584**	13,225
Unclaimed Dividend	**38**	37
Balances held as Margin Money/Security towards obtaining Bank Guarantees	**5,331**	4,543
Balance held under Escrow Account	**14**	177
Total Cash and Cash Equivalents	**12,082**	15,167

iii) Cash and Cash Equivalents include Equity Share Application Money of ₹ 3 Million (March 31, 2014 ₹ 15 Million).

See accompanying notes forming part of the financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

A. B. Jani
Partner

Mumbai, India, May 26, 2015

For Tech Mahindra Limited

Anand G. Mahindra
Chairman

Vineet Nayyar
Executive Vice Chairman

C. P. Gurnani
Managing Director & CEO

Anupam Puri
Director

Bharat Doshi
Director

M. Damodaran
Director

M. Rajyalakshmi Rao
Director

Ravindra Kulkarni
Director

T. N. Manoharan
Director

Ulhas N. Yargop
Director

Milind Kulkarni
Chief Financial Officer

G. Jayaraman
Company Secretary

Mumbai, India, May 26, 2015

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2015

1. Corporate Information:

Tech Mahindra Limited (referred to as "TechM" or the "Company") operates mainly into two sectors i.e. Telecom business and Enterprise Solutions business. The telecom business provides consulting-led integrated portfolio services to customers which are Telecom Equipment Manufacturers, Telecom Service Providers and IT Infrastructure Services, Business Process Outsourcing as well as Enterprise Services (BFSI, Retail & Logistics, Manufacturing, E&U, and Healthcare, Life Sciences, etc.) of Information Technology (IT) and IT-enabled services delivered through a network of multiple locations around the globe. The enterprise solutions business provides comprehensive range of IT services, including IT enabled services, application development and maintenance, consulting and enterprise business solutions, extended engineering solutions and infrastructure management services to diversified base of corporate customers in a wide range of industries including insurance, banking and financial services, manufacturing, telecommunications, transportation and engineering services. The Company's registered office is in Mumbai, India and has over 150 subsidiaries across the globe.

2. Significant accounting policies:

2.1 Principles of consolidation:

The financial statements of TechM and its subsidiaries have been consolidated on a line by line basis by adding together like items of assets, liabilities, income, expenses, after eliminating intra group transactions and any unrealized gains or losses in accordance with the Accounting Standard - 21 on "Consolidated Financial Statements" (AS 21).

The financial statements of TechM and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances.

The excess of cost of investments in the subsidiary company/s over the share of the equity of the subsidiary company/s at the date on which the investment in the subsidiary company/s is made is recognised as 'Goodwill on Consolidation' and is disclosed on the face of the Balance Sheet in the Consolidated Financial Statements. Alternatively, where the share of equity in the subsidiary company/s as on the date of investment is in excess of cost of the investment, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the Consolidated Financial Statements.

Minority interest in the net assets of the consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made in the subsidiary company/s and further movements in their share in the equity, subsequent to the dates of investments. Minority interest also includes share application money received from minority shareholders. The losses in subsidiary/s attributable to the minority shareholder are recognised to the extent of their interest in the equity of the subsidiary/s.

Investment in an entity in which the Group has significant influence but not a controlling interest, is reported according to the equity method i.e. the investment is initially recorded at cost in accordance with Accounting Standard 23 "Accounting for Investments in associates in Consolidated Financial Statements". The carrying amount of the investment is adjusted thereafter for the post acquisition change in the Company's share of net assets of the associate. The excess of cost of investment in associate, over the net assets at the date of acquisition of the investment in the associate is separately disclosed under non-current investments as Goodwill.

2.2 Basis for preparation of financial statements:

The Consolidated Financial Statements comprise the financial statements of Tech Mahindra Limited ('TechM' or 'the Company') and its subsidiaries and jointly controlled entity (the Company, its subsidiaries and jointly controlled entity constitute "the Group"). The consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India on accrual basis under the historical cost convention, except for certain financial instruments which are measured at fair value. These financial statements have been prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/ Companies Act, 1956 ("the 1956 Act"). The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of TechM.

2.3 Use of Estimates:

The preparation of consolidated financial statements requires the management of the company to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the financial statements.

2.4 Tangible Fixed Assets and Intangible assets:

Tangible fixed assets and intangible assets are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalised includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage.

2.5 Depreciation / amortization of fixed assets:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation / amortisation on fixed assets including assets taken on lease, other than freehold land is charged based on straight line method on an estimated useful life, except in respect of the following categories of assets, where the life of the assets has been assessed as under based on technical advice, considering the nature of the asset, estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Buildings	28 years
Computers	2 to 5 years
Computers taken on Finance Lease	Lower of 5 years or lease period
Plant and Equipments	3 to 7 years
Furniture and Fixtures	3 to 15 years
Furniture and Fixture taken on Finance Lease	Lower of 5 years or lease period
Vehicles	3 to 5 years
Office Equipments	3 to 20 years
Leasehold Improvements	Lower of lease period or expected occupancy

Leasehold land is amortised over the period of lease.

Assets costing upto ₹ 5,000 are fully depreciated in the year of purchase except when they are part of a larger capital investment programme.

The estimated useful life of the intangible assets are reviewed at the end of each reporting period to reflect the changed pattern, if any.

The cost of software purchased for internal use is capitalized and depreciated in full in the month in which it is put to use.

Project specific intangible assets are amortised over their estimated useful lives on a straight line basis or over the period of the license, whichever is lower.

2.6 Leases:

Assets taken on lease are accounted as fixed assets where necessary conditions are complied in accordance with Accounting Standard 19 on “Leases”, (AS 19).

(i) Finance lease:

Where the Group, as a lessor, leases assets under finance lease, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is based on constant rate of return on the outstanding net investment.

Assets taken on finance lease are accounted as fixed assets at fair value. Lease payments are apportioned between finance charge and reduction of outstanding liability.

(ii) Operating lease:

Lease arrangements under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease rental under operating lease are recognised in the Statement of Profit and Loss on a straight line basis over the lease term.

2.7 Impairment of Assets:

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment, if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and

(b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

2.8 Investments:

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

2.9 Inventories:

Components and parts:

Components and parts are valued at lower of cost or net realizable value. Cost is determined on First-In-First Out basis.

Finished Goods:

Finished goods are valued at the lower of the cost or net realisable value. Cost is determined on First-In-First Out basis.

Projects in Progress/Work in Progress:

Hardware equipment and other items are carried at the lower of cost and net realisable value. Cost is determined on a specific identification basis. Cost includes material cost, freight and other incidental expenses incurred in bringing the inventory to the present location/condition.

2.10 Revenue recognition:

Revenue from software services and business process outsourcing services include revenue earned from services rendered on ‘time and material’ basis, time bound fixed price engagements and system integration projects.

All revenues from services, as rendered, are recognised when persuasive evidence of an arrangement exists, the sale price is fixed or determinable and collectability is reasonably assured and are reported net of sales incentives, discounts based on the terms of the contract and applicable indirect taxes.

The Group also performs time bound fixed price engagements, under which revenue is recognised using the proportionate completion method of accounting, unless work completed cannot be reasonably estimated. Provision for estimated losses, if any on uncompleted contracts are recorded in the period in which such losses become probable based on the current estimates and can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known.

Revenue from maintenance contracts is recognised over the period of the contract in accordance with its terms.

Revenue recognition is based on the terms and conditions as per the contracts entered into with the customers. In respect of expired contracts under renewal or where there are no contracts available, revenue is recognised based on the erstwhile contract/provisionally agreed terms and/or understanding with the customers.

Revenue is net of volume discounts/price incentives which are estimated and accounted for based on the terms of the contracts and excludes applicable indirect taxes.

Amounts received or billed in advance of services performed are recorded as advances from customers/unearned revenue.

Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms and is net of estimated allowance for uncertainties and provision for estimated losses.

Liquidated damages and penalties are accounted as per the contract terms wherever there is a delayed delivery attributable to the Group and when there is a reasonable certainty with which the same can be estimated.

Revenues from the sale of software and hardware products are recognised upon delivery/ deemed delivery, which is when title passes to the customer, along with risk and rewards.

Reimbursement / recoveries from customers are separately identified as contractual receivables when no significant uncertainty as to measurability or collectability exists.

The Group recognizes unearned finance income as financing revenue over the lease term using the effective interest method.

Dividend income is recognised when the Group's right to receive dividend is established. Interest income is recognised on time proportion basis.

2.11 Government grants:

Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants will be received.

Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of the depreciable asset by way of reduced depreciation charge. Grants in the nature of capital subsidy are treated as capital reserve based on receipt/eligibility.

Grants related to revenue are accounted for as other income in the period in which the related costs which they intend to compensate are accounted for to the extent there is no uncertainty in receiving the same. Incentives which are in the nature of subsidies given by the Government which are based on the performance of the Company are recognised in the year of performance/eligibility in accordance with the related scheme.

Government grants in the form of non-monetary assets, given at a concessional rate, are accounted for at their acquisition costs.

2.12 Foreign currency transactions:

a) Foreign currency transactions and translations:

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Monetary items are translated at the period end rates. The exchange differences between the rate prevailing on the date of transaction and on the date of settlement/ translation of monetary items at the end of the period is recognised as income or expense, as the case may be.

Any premium or discount arising at the

inception of the forward exchange contract is recognised as income or expense over the life of the contract, except in the case where the contract is designated as a cash flow hedge.

b) Derivative instruments and hedge accounting:

The Group uses foreign currency forward contracts / options to hedge its risks associated with foreign currency fluctuations relating to certain forecasted transactions. Effective April 1, 2007, the Group designates some of these as cash flow hedges applying the recognition and measurement principles set out in the Accounting Standard 30 "Financial Instruments: Recognition and Measurements" (AS-30).

The use of foreign currency forward contracts/options is governed by the Group's policies approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the Group's risk management strategy. The counter party to the Group's foreign currency forward contracts is generally a bank. The Group does not use derivative financial instruments for speculative purposes.

Foreign currency forward contract/ option derivative instruments are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised directly in Hedging Reserve (under Reserves and Surplus) and the ineffective portion is recognised immediately in the Statement of Profit and Loss.

The accumulated gains / losses on the derivatives accounted in Hedging Reserve are transferred to the Statement of Profit and Loss in the same period in which gains / losses on the item hedged are recognized in the Statement of Profit and Loss.

Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the Statement of Profit and Loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on the hedging instrument recognised in shareholders' funds is retained there and is classified to Statement of Profit and Loss when the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in shareholders' funds is transferred to the Statement of Profit and Loss for the period.

2.13 Foreign Operations:

The financial statements of integral foreign operations are translated as if the transactions of the foreign operations have been those of the Company itself. In translating the financial statements of a non-integral foreign operation, the assets and liabilities, both monetary and non-monetary are translated at the closing rate, income and expense items are translated at average exchange rates and all resulting exchange differences are accumulated in a foreign currency translation reserve until disposal of the net investment in the non-integral foreign operation.

2.14 Employee Benefits:

a) Gratuity:

The Group accounts for its gratuity liability, a defined retirement benefit plan covering eligible employees. The gratuity plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of the employment based on the respective employee's salary and the tenure of the employment. Liabilities with regard to a Gratuity plan are determined based on the actuarial valuation carried out by an independent actuary as at the Balance Sheet date using the Projected Unit Credit method for TechM and its Indian subsidiaries.

Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period in which they occur. (refer note 47 below)

b) Provident fund:

The eligible employees of TechM and its Indian subsidiaries are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and TechM and its Indian subsidiaries make monthly contributions at a specified percentage of the covered employees' salary (currently at 12% of the basic salary) which are charged to the Statement of Profit and Loss on accrual basis. The provident fund contributions are paid to the Regional Provident Fund Commissioner by TechM and its Indian subsidiaries.

The TechM and its Indian subsidiaries has no further obligations for future provident fund and superannuation fund benefits other than its annual contributions.

c) Superannuation and ESIC:

Superannuation fund and employees' state insurance scheme (ESI), which are defined contribution schemes, are charged to the Statement of Profit and Loss on accrual basis.

d) Compensated absences:

The Group provides for the encashment of leave subject to certain Company's rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is provided based on the number of days of unavailed leave at each Balance Sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method for TechM and its Indian subsidiaries, whereas provision for encashment of unavailed leave on retirement is made on actual basis for foreign subsidiaries. TechM does not expect the difference on account of varying methods to be material.

The liability which is not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised based on actuarial valuation as at the Balance Sheet date.

Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period in which they occur.

The Group also offers a short term benefit in the form of encashment of unavailed accumulated compensated absence above certain limit for all of its employees and same is being provided for in the books at actual cost.

e) Other short term employee benefits:

Other short-term employee benefits such as overseas social security contributions and performance incentives expected to be paid in exchange for the services rendered by employees, are recognised during the period when the employee renders the service.

2.15 Borrowing costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to the Statement of Profit and Loss.

2.16 Taxation:

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the respective countries.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset if there is convincing evidence that the Group will pay normal tax after the tax holiday period. Accordingly, it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Group and the asset can be measured reliably.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Tax on distributed profits payable in accordance with the provisions of the Income Tax Act, 1961 is disclosed in accordance with the Guidance Note on Accounting for Corporate Dividend Tax issued by the Institute of Chartered Accountants of India (ICAI).

2.17 Employee Stock Option Plans:

The Group determines the compensation cost based on the intrinsic value method. The Group grants options to its employees which will be vested in a graded manner and are to be exercised within a specified period. The compensation cost is amortized on an accelerated basis over the vesting period.

2.18 Research and development:

Research costs are expensed as incurred. Development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use the asset and the costs can be measured reliably.

2.19 Earnings per Share:

Basic earnings/ (loss) per share are calculated by dividing the net profit / (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit / (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

2.20 Cash and cash equivalents (for the purpose of cash flow statement):

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

2.21 Provision, Contingent Liabilities and Contingent Assets:

A provision is recognized when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. The provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect current best estimates.

Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

Note 3 : Share Capital	As at March 31, 2015		As at March 31, 2014	
Share Capital	**Number**	**₹ Million**	Number	₹ Million
- **Authorized**				
Equity Shares of ₹ 5 each (Previous year ₹ 10) (refer note i and ii)	**1,268,200,000**	**6,341**	619,100,000	6,191
- **Issued, Subscribed and Paid up**				
Equity Shares of ₹ 5 each (Previous year ₹ 10)	**960,827,082**	**4,804**	233,472,886	2,335
	960,827,082	**4,804**	233,472,886	2,335

Disclosure pursuant Part I of Schedule III to the Companies Act, 2013

Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	**₹ Million**	Number	₹ Million
Shares outstanding at the beginning of the year	**233,472,886**	**2,335**	128,119,023	1,281
Shares issued during the year	**2,572,284**	**24**	1,868,467	19
Share issued on account of amalgamation (refer note 31 and 32)	**4,259,011**	**43**	103,485,396	1,035
Issue of bonus shares (refer note ii)	**240,161,577**	**2,402**	-	-
Conversion on account of share split (refer note ii)	**480,323,154**	**-**	-	-
Shares outstanding at the end of the year	**960,788,912**	**4,804**	233,472,886	2,335

No. of shares held by each shareholder holding more than 5 percent equity shares of the Company are as follows:

Name of Shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of Shares held	**% of Holding**	No. of Shares held	% of Holding
Mahindra & Mahindra Limited	**256,248,704**	**26.67**	60,676,252	25.99
TML Benefit Trust	**96,000,000**	**9.99**	24,000,000	10.28

i) Pursuant to the Scheme of Amalgamation and Arrangement, Mahindra Engineering Services Limited ("MESL") has been merged with the Company with effect from April 1, 2013. Further upon giving effect to the scheme, the authorised capital of the company was increased by ₹ 150 million. (refer note 32)

ii) Shareholders on March 10, 2015 approved the issue of bonus shares and share split and the Board of Directors fixed the record date as March 20, 2015.

- By capitalisation of free reserves, issue of bonus shares in the ratio of one equity share (bonus shares) for every 1 equity share held by member(s) and share split in the ratio of 2 equity shares having face value of ₹ 5 each against 1 equity share having face value of ₹ 10 each held on the record date.
- On March 21, 2015, the company allotted 240,161,577 equity shares (bonus shares) of ₹ 10/- each, to be issued in the form of split shares of 480,323,154 of ₹ 5/- each and also the balance outstanding shares as on the Record Date were converted into 480,323,154 equity shares of ₹ 5 each fully paid-up.

The Bonus shares were issued by capitalization of balance in the General Reserve amounting to ₹ 2,402 Million.

Basic and diluted earnings per share for the previous periods has been presented to reflect the adjustment for bonus share and split in accordance with Accounting Standard 20 Earnings Per Share.

iii) Aggregate number of fully paid-up equity shares allotted by way of bonus shares in the immediately preceding five years ended March 31, 2015; 240,161,577 equity shares of ₹10/- each fully paid-up equivalent to 480,323,154 equity shares of ₹ 5/- each fully paid-up (previous period of five years ended March 31, 2014: Nil)

iv) Each equity share entitles the holder to one vote and carries an equal right to dividend.

v) The Company declares and pays dividends in Indian Rupees. The Board of Directors in their meeting held on May 26, 2015 proposed a final dividend of ₹ 6 per equity share for year ended March 31, 2015. The proposal is subject to the approval of the shareholders at the ensuing Annual General Meeting.

vi) Refer note 50 for details relating to stock options.

₹ in Million

	As at	
	March 31, 2015	March 31, 2014
Note 4 : Reserves and Surplus		
- **Capital Reserve on Consolidation**		
Opening Balance	**17**	55
Add: Transfer due to Amalgamation (refer note 31)	**-**	18
Less : Adjustment due to Amalgamation (refer note 31)	**-**	(55)
Less : Transfer to General Reserve	**-**	(1)
Closing Balance	**17**	17
- **Capital Reserve**		
Opening Balance	**-**	-
Add: Additions on account of Amalgamation (refer note 32)	**60**	
Closing Balance	**60**	-
- **Securities Premium Account**		
Opening Balance	**27,769**	2,828
Add: Additions on account of Amalgamation (refer note 31 and 32)	**36**	26,694
Add: Transfer (net) due to Amalgamation (refer note 31 and 32)	**483**	220
Less: Share issue expenses	**(45)**	(122)
Add : Received during the year on exercise of Stock Options	**570**	468
Add: Transfer from Share Options Outstanding Account on exercise of Stock Options	**344**	170
Add: Adjustment of Amalgamation Reserve (refer note 31)	**-**	(2,489)
Closing Balance	**29,157**	27,769
- **Debenture Redemption Reserve**		
Opening Balance	**2,972**	5,338
Add: Transfer from Surplus in Statement of Profit and Loss	**28**	634
Less: Transferred to Surplus in Statement of Profit and Loss	**(3,000)**	(3,000)
Closing Balance	**-**	2,972
- **Share Options Outstanding Account (refer note 2.17 and 50)**		
Opening Balance	**2,191**	918
Add: Additions on account of Amalgamation (refer note 31 and 32)	**250**	530
Add: Transfer (net) due to Amalgamation (refer note 31 and 32)	**(248)**	(399)

₹ in Million

	As at March 31, 2015	As at March 31, 2014
Note 4 : Reserves and Surplus (contd)		
Add: Amortised Amount of Stock Compensation Cost (net)	**2,268**	1,312
Less: Transfer to Securities Premium Account on exercise of Stock Options	**(344)**	(170)
Closing Balance	**4,117**	2,191
- **Amalgamation Reserve (refer note 31)**		
Opening Balance	**-**	-
Add : Arising on Amalgamation (net)	**-**	(2,489)
Less : Adjusted against Securities Premium Account	**-**	2,489
Closing Balance	**-**	-
- **Statutory Reserve (refer note 44)**		
Opening Balance	**77**	3
Add : Additions during the year	**32**	74
Closing Balance	**109**	77
- **Foreign Currency Translation Reserve (refer note 2.13)**		
Opening Balance	**248**	104
Add: Additions on account of Amalgamation (refer note 31 and 32)	**2**	(21)
Add: Transfer due to Amalgamation (refer note 31 and 32)	**(11)**	128
Add : Additions during the year (net)	**163**	71
Less: Transferred to Statement of Profit and Loss on disposal of Subsidiary (refer note 28 (g))	**-**	(34)
Closing Balance	**402**	248
- **General Reserve**		
Opening Balance	**12,354**	6,451
Add: Additions on account of Amalgamation (refer note 32)	**147**	-
Add: Transfer (net) due to Amalgamation (refer note 31 and 32)	**44**	902
Less: Utilised for issue of Bonus Shares (refer note 3)	**(2,402)**	-
Add: Transfer from Surplus in Statement of Profit and Loss	**-**	5,000
Add: Transfer from Capital Reserve on Consolidation	**-**	1
Closing Balance	**10,143**	12,354
- **Hedging Reserve (refer note 53)**		
Opening Balance	**(5,558)**	(2,486)
Add: Additions on account of Amalgamation (refer note 31)	**-**	197
Add: Transfer due to Amalgamation (refer note 31)	**-**	(38)
Add: Movement during the year (net)	**6,294**	(3,231)
Closing Balance	**736**	(5,558)
- **Surplus in Statement of Profit and Loss**		
Opening balance	**49,400**	39,761
Add: Additions on account of Amalgamation (refer note 31 and 32)	**922**	(25,223)
Less: Adjusted against Amalgamation Reserve (net) (refer note 31)	**-**	2,811
Add : Transfer (net) due to Amalgamation (Opening Surplus / (Deficit) in Statement of Profit and Loss on Subsidiaries) (refer note 31 and 32)	**155**	(4,262)
Add: Transfer (net) due to Amalgamation (refer note 31 and 32)	**218**	23,374
Add: Reversal of provision on account of Amalgamation (refer note 31)	**-**	64

₹ in Million

	As at March 31, 2015	As at March 31, 2014
Note 4 : Reserves and Surplus (contd)		
Add: Reversal of dividend on account of Amalgamation (refer note 31)	**-**	186
Add: Reversal of Tax on Dividend on account of Amalgamation (refer note 31)	**-**	31
Less: Adjusted against Amalgamation Reserve (net) (refer note 31)	**-**	(9,430)
Add: Net Profit for the year	**26,277**	30,288
Less: Transfer to Debenture Redemption Reserve	**(28)**	(634)
Add: Transfer from Debenture Redemption Reserve	**3,000**	3,000
Less: On Initial Adoption of AS-30	**-**	(30)
Add: Transfer on account of Unexercised Share Options	**-**	2
Less: Proposed Final Dividend (refer note 3)	**(5,765)**	(4,669)
Less: Tax on Proposed Dividend (refer note 3)	**(1,173)**	(794)
Less: Transfer to General Reserve	**-**	(5,000)
Less: Transfer to Statutory Reserve	**(32)**	(74)
Less: Dividend on equity shares issued after April 1 till the record date	**(28)**	(1)
Less: Tax on Dividend on equity shares issued after April 1 till record date	**(5)**	(0)
Closing Balance	**72,941**	49,400
	117,682	89,470
Note 5 : Long-Term Borrowings		
Secured :		
- From Banks	**229**	-
Secured by charge over Receivables and Vehicles. Repayable in quarterly installments over a period of 2-4 years.		
- Finance Lease Obligations (refer note 47)	**112**	50
Lease obligations are secured by the assets financed through the finance lease arrangements and are repayable in the equal monthly installments over a period of 1-5 years and carry a finance charge.		
Unsecured :		
- From Bank	**22**	-
Repayable over a period of 2-3 years.		
- From Others	**97**	140
Repayable over a period of 3 years in quarterly installments.		
	460	190
Note 6 : Other Long-Term Liabilities		
- Fair Values of Foreign Exchange Forward and Currency Option Contracts (net) (refer note 53)	**-**	3,659
- Security Deposits	**6**	-
- Unearned Revenue	**24**	16
- Contractual Obligation (refer note 27 (m) and 27 (r))	**410**	-
- Capital Creditors	**-**	82
	440	3,757

	₹ in Million	
	As at	
	March 31, 2015	March 31, 2014
Note 7 : Long-Term Provisions		
- Provision for Employee Benefits		
- Gratuity (refer note 45)	**2,261**	1,993
- Others	**1,813**	2,145
- Other Long Term Provisions	**27**	-
	4,101	4,138
Note 8 : Short-Term Borrowings		
Secured Loans from Bank:		
- Cash Credit (Secured by Bank Deposits)	**92**	-
- Working Capital Demand Loan (Secured by Receivables of certain group entities)	**765**	-
Unsecured Loans:		
- Loan from Banks (Payable on Demand) (refer note 37.1 (b))	**5,355**	188
- From Others	**74**	146
	6,286	334
Note 9 : Trade Payables		
- Trade Payables other than Accrued Salaries and Benefits (refer note 51)	**15,215**	9,471
- Accrued Salaries and Benefits	**5,372**	5,251
	20,587	14,722
Note 10: Other Current Liabilities		
- Current Maturities of Long Term Debt (Secured Debentures)	**-**	3,000
(The above debentures were secured by pari passu charge over the immovable property located in Gujarat and Pune. Company had also deposited the title deeds of certain other immovable properties of the Company with the debenture trustees.) The charge has been satisified during the year.		
- Current Maturities of Finance Lease Obligations (refer note 47), (for details of security, refer note 5)	**163**	42
- Current Maturities of Long Term Loans (Unsecured)	**92**	65
- Deferred Revenue	**-**	1
- Contractual Obligation (refer note 27 (m) and 27 (r))	**567**	767
- Interest Accrued but not due on Borrowings	**5**	293
- Fair Values of Foreign Exchange Forward and Currency Option Contracts (net) (refer note 53)	**-**	2,394
- Capital Creditors	**784**	770
- Advance from Customers	**716**	1,277
- Unearned Revenue	**1,236**	1,405
- Unclaimed Dividends	**38**	37
- Statutory Remittances	**3,181**	2,278
- Others#	**5,444**	5,695

₹ in Million

	As at March 31, 2015	As at March 31, 2014
Note 10: Other Current Liabilities (contd)		
# Others mainly Include:		
- Aberdeen UK Claims settlement consideration (including interest) payable ₹ 3,628 Million (previous year ₹ 3,628 Million) (refer note 35)		
- Aberdeen US claim settlement consideration payable ₹ 648 Million (previous year ₹ 648 Million) (refer note 34)		
- Class action suit settlement consideration payable ₹ 265 Million (previous year ₹ 265 Million)		
- Discounts payable to Customers ₹ 586 Million (previous year ₹ 485 Million)		
	12,226	18,024
Note 11: Short-Term Provisions		
- Provision for Employee Benefits		
- Gratuity (refer note 45)	**407**	390
- Others	**2,131**	1,131
- Provision for Proposed Final Dividend (refer note 3)	**5,765**	4,669
- Provision for Tax on Dividend (refer note 3)	**1,173**	794
- Provision for Income Tax (net of Taxes paid) (refer note 37.2.2.(v) and 55)	**7,095**	4,186
- Provision for Claims and Warranties (refer note 56)	**175**	258
- Provision for Contingencies (refer note 57)	**1,241**	1,241
	17,987	12,669

Note 12: Fixed Assets

₹ in Million

	Gross Block									Accumulated Depreciation/Amortisation									Net Block
	Cost as at April 01, 2014	Additions on Amalgamation (refer note 31 and 32)	Transfer on Amalgamation (refer note 31 and 32)	Acquisitions during the year (refer note 27)	Additions during the year (refer note (iv) below)	Deletions during the year (refer note (iv) below)	Reclassification (refer note 47 (e))	Adjustments	Balance as at March 31, 2015	As at April 01, 2014	Additions on Amalgamation (refer note 31 and 32)	Transfer on Amalgamation (refer note 31 and 32)	Acquisitions during the year (refer note 27)	For the year (refer note (iv) below)	Deductions during the year (refer note (iv) below)	Reclassification (refer note 47 (e))	Adjustments	Upto March 31, 2015	As at March 31, 2015
Tangible Assets																			
Freehold Land	787	-	-	-	7	-	14	-	780	-	-	-	-	-	-	-	-	-	780
	175	*425*	-	-	*187*	-	-	*(0)*	*787*	-	-	-	-	-	-	-	-	-	*787*
Leasehold Land	1,152	-	-	-	639	-	-	-	1,791	235	-	-	-	31	-	-	(0)	266	1,525
	678	*277*	-	-	*197*	-	-	*(0)*	*1,152*	*87*	*12*	-	-	*136*	-	-	-	*235*	*917*
Buildings	13,507	-	-	-	1,007	68	223	-	14,223	3,280	-	-	-	507	20	12	-	3,755	10,468
	5,358	*6,146*	-	-	*2,003*	*0*	-	*0*	*13,507*	*1,642*	*1,132*	-	-	*506*	*0*	-	*0*	*3,280*	*10,227*
Computers	10,075	68	13	849	3,117	433	-	(14)	13,675	7,872	60	6	635	1,749	416	-	(10)	9,896	3,779
	4,113	*4,237*	*488*	*1*	*1,971*	*742*	-	*7*	*10,075*	*3,275*	*3,865*	*412*	-	*1,040*	*727*	-	*7*	*7,872*	*2,203*
Plant and Equipments	11,912	18	-	868	1,124	110	150	(17)	13,645	8,501	12	-	543	1,526	101	41	(12)	10,428	3,217
	4,690	*5,880*	*448*	-	*1,191*	*298*	-	*1*	*11,912*	*2,486*	*4,460*	*410*	-	*1,410*	*265*	-	*0*	*8,501*	*3,411*
Furniture and Fixtures	4,980	12	8	234	404	48	45	(10)	5,535	3,692	10	2	154	535	34	11	(4)	4,344	1,191
	2,221	*2,362*	*106*	*1*	*537*	*251*	-	*4*	*4,980*	*1,513*	*1,810*	*93*	-	*495*	*223*	-	*4*	*3,692*	*1,288*
Vehicles	241	38	-	269	25	31	-	(17)	525	211	20	-	169	31	25	-	(11)	395	130
	62	*189*	*6*	-	*26*	*42*	-	-	*241*	*46*	*178*	*6*	-	*21*	*40*	-	*(0)*	*211*	*30*
Office Equipments	1,232	5	2	210	249	70	0	(2)	1,626	949	4	1	153	147	64	0	(1)	1,189	437
	669	*337*	*121*	-	*156*	*55*	-	*4*	*1,232*	*472*	*298*	*107*	-	*123*	*55*	-	*4*	*949*	*283*
Leasehold Improvements	1,450	15	-	113	152	38	-	(5)	1,687	1,208	13	-	70	184	37	-	(3)	1,435	252
	1,027	*745*	*68*	-	*83*	*476*	-	*3*	*1,450*	*649*	*688*	*61*	-	*223*	*416*	-	*3*	*1,208*	*242*
Taken on Finance Lease :																			
Plant and Equipments	167	-	-	214	-	20	-	(3)	358	167	-	-	161	8	16	-	(2)	318	40
	-	*167*	-	-	-	-	-	-	*167*	-	*167*	-	-	-	-	-	-	*167*	-
Furniture & Fixtures	0	-	-	-	-	-	-	-	0	0	-	-	-	-	-	-	-	0	0
	-	*286*	-	-	-	*286*	-	-	*0*	-	*269*	-	-	*13*	*282*	-	-	*0*	*0*
Vehicles	154	-	-	357	15	17	-	(7)	502	83	-	-	157	59	15	-	(3)	281	221
	-	*154*	-	-	*11*	*11*	-	-	*154*	-	*43*	-	-	*43*	*3*	-	*(0)*	*83*	*71*
Total	45,657	156	23	3,114	6,739	835	432	(75)	54,347	26,198	119	9	2,042	4,777	728	64	(46)	32,307	22,040
	18,993	*21,205*	*1,237*	*2*	*6,362*	*2,161*	-	*19*	*45,657*	*10,170*	*12,922*	*1,089*	-	*4,010*	*2,011*	-	*18*	*26,198*	*19,459*
Intangible Assets																			
Goodwill	57	-	-	-	-	-	-	2	59	3	-	-	-	1	-	-	-	4	55
	2	-	*50*	-	-	-	-	*5*	*57*	*2*	-	*1*	-	*0*	-	-	-	*3*	*54*
Intellectual property rights	83	-	-	-	-	-	-	-	83	83	-	-	-	-	-	-	-	83	-
	83	-	-	-	-	-	-	-	*83*	*83*	-	-	-	-	-	-	-	*83*	-
Patents	32	-	-	-	-	-	-	-	32	32	-	-	-	-	-	-	-	32	-
	32	-	-	-	-	-	-	-	*32*	*32*	-	-	-	-	-	-	-	*32*	-
Software (other than internally generated)	3,131	253	2	369	1,322	61	-	(28)	4,988	2,340	233	2	270	1,260	43	-	(25)	4,037	951
	973	*1,760*	*303*	*130*	*1,636*	*1,672*	-	*1*	*3,131*	*757*	*1,760*	*283*	-	*1,212*	*1,672*	-	*(0)*	*2,340*	*791*
Total	3,303	253	2	369	1,322	61	-	(26)	5,162	2,458	233	2	270	1,261	43	-	(25)	4,156	1,006
	1,090	*1,760*	*353*	*130*	*1,636*	*1,672*	-	*6*	*3,303*	*874*	*1,760*	*284*	-	*1,212*	*1,672*	-	*(0)*	*2,458*	*845*
Capital Work-In-Progress																			5,677
																			2,662

Notes:

i) Depreciation includes accelerated/additional depreciation on certain assets amounting to ₹ Nil (previous year ₹ 182 Million).

ii) In respect of certain freehold lands and buildings, the Company has received a provisional attachment order from the Income tax authorities which has since been stayed by orders passed by the Hon'ble High Court of Andhra Pradesh. (refer note 37.2.2.(iii))

iii) Numbers in Italics pertains to previous year.

iv) Includes transactions for the year ended March 31, 2014 pertaining to erstwhile Mahindra Engineering Services Limited and it's Subsidiaries (refer note 32).

₹ in Million

	As at March 31, 2015	As at March 31, 2014
Note 13: Non-Current Investments		
(at cost, unless otherwise specified)		
(A) Trade		
(a) In Subsidiaries - unquoted		
50,000 Equity Shares (previous year 50,000) of ₹ 10 each fully paid up of Tech Mahindra Foundation. (refer note 29)	**1**	1
10,000 Equity Shares (previous year 10,000) of ₹ 10 each fully paid up of Mahindra Educational Institutions. (refer note 29)	**0**	0
Sub-total (a)	**1**	1
(b) In Associates - unquoted		
In Equity Shares:		
1,225 Ordinary Shares of DZD 1,000 each fully paid up of SARL Djazatech.^	**45**	-
^ includes Goodwill of ₹ 71 Million and share of post acquisition profit of ₹ 1 Million (refer note 26 (b) and 27 (i))		
In Preference Shares:		
600,000 Series A Preference Shares (previous year Nil) of USD 0.001 each fully paid up of Avion Networks, Inc. #	**186**	-
# includes Goodwill of ₹ 186 Million (previous year Nil) and share of post acquisition profit Nil (previous year Nil) (refer note 26 (b) and 27 (n))		
Sub-total (b)	**231**	-
(c) Other Investments		
- Unquoted		
In Equity Shares:		
4,232,622 Ordinary Shares (previous year 4,232,622) of GBP 0.002 each fully paid up of Servista Limited.	**1**	1
In Preference Shares:		
1,603,380 E1 Preference Shares (previous year 1,603,380) of GBP 0.002 each fully paid up of Servista Limited.	**54**	54
896,620 E2 Preference Shares (previous year 896,620) of GBP 0.002 each fully paid up of Servista Limited.	**30**	30
	85	85
Less: Provision for Diminution (refer note 43)	**(85)**	(85)
	-	-
- Quoted (refer note (iii) below)		
5,147,058 Equity Shares (previous year 5,147,058) of ₹ 10 each, fully paid up of Dion Global Solutions Limited.	**350**	350
Less: Provision for Diminution (refer note 43)	**(243)**	(243)
	107	107
138,496 Class A Shares of EUR 1 each, fully paid up of Bank of Cyprus	**11**	-
Less: Provision for Diminution	**(8)**	-
	3	-
Sub-total (c)	**110**	107

	₹ in Million	
	As at	
	March 31, 2015	March 31, 2014
Note 13: Non-Current Investments (contd)		
(d) Investment in entities which are liquidated/ dissolved		
- Other investments - Unquoted		
334,000 Shares (previous year 334,000) of 'A' Series preferred stock of USD 0.001 each, fully paid-up of Cormed, Inc. (refer note (ii) below)	**16**	16
Less: Provision for diminution in value of investment	**(16)**	(16)
	-	-
577,917 class 'A' Units (previous year 577,917) representing a total value of USD 540,750 of Avabal, LLC. (refer note (ii) below)	**25**	25
Less: Provision for diminution in value of investment	**(25)**	(25)
	-	-
Sub-total (d)	**-**	-
Sub-total (A) (a+b+c+d)	**342**	108
(B) In Bonds and Trust Securities - unquoted		
TML Benefit Trust	**0**	0
Interest in TML Benefit Trust (refer note 31)	**12,071**	12,071
Treasury Bonds and Bills (refer note (i) below)	**18**	15
Investment in TML Odd Lot Trust (refer note 31)	**0**	0
New Democratic Electoral Trust (refer note 27 (q))	**0**	-
National Savings Certificates, VIII Series	**0**	0
(Lodged as Security with Government Authorities)		
Sub-total (B)	**12,089**	12,086
(C) Investment Property (refer note 47 (e))	**696**	-
Less : Amortisation	**(140)**	-
Sub-total (C)	**556**	-
Total (A+B+C)	**12,987**	12,194

Note :

i) As per statutory requirements for overseas branches.

ii) These companies have been liquidated / dissolved as per the laws of the respective countries. However, the Company is awaiting approval from the Reserve Bank of India for writing off the investments from the books of the Company. The outstanding amounts of investments in these companies have been fully provided.

iii) Details of investments:

	₹ in Million	
	As at	
	March 31, 2015	March 31, 2014
Aggregate amount of Quoted Investments	**361**	350
Aggregate market value of Quoted Investment	**448**	162
Aggregate amount of Unquoted Investments	**12,447**	12,213
Aggregate amount of Provision for Diminution in Value of Investments	**377**	369

₹ in Million

	As at March 31, 2015	As at March 31, 2014
Note 14 : Long-Term Loans and Advances		
(Unsecured, considered good unless otherwise stated)		
- Capital Advances		
Considered Good	**943**	1,284
Considered Doubtful	**7**	8
	950	1,292
Less: Provision	**7**	8
	943	1,284
- Security Deposits		
Considered Good	**1,526**	1,302
Considered Doubtful	**144**	100
	1,670	1,402
Less: Provision	**144**	100
	1,526	1,302
- Advances to Related Parties		
Considered Good	**68**	-
Considered Doubtful	**-**	-
	68	-
Less: Provision	**-**	-
	68	-
- Loans to Related Party (refer note 51)	**18**	28
- Advance Income Taxes (Net of provisions)	**7,940**	4,094
- Balance with Government Authorities #		
Considered Good	**1,186**	1,815
Considered Doubtful	**12**	62
	1,198	1,877
Less: Provision	**12**	62
	1,186	1,815
- Prepaid Expenses	**656**	597
- Fair Values of Foreign Exchange Forward and Currency Option Contracts (net) (refer note 53)	**401**	-
- Others		
Considered Good	**17**	17
Considered Doubtful	**267**	267
	284	284
Less: Provision	**267**	267
	17	17
	12,755	9,137

\# mainly pertains to Service Tax and VAT.

₹ in Million

	As at March 31, 2015	As at March 31, 2014
Note 15 : Other Non-Current Assets		
- Trade Receivables # (Unsecured)		
Considered Good	**-**	-
Considered Doubtful	**3,343**	3,604
	3,343	3,604
Less: Provision	**3,343**	3,604
	-	-
- Unbilled Revenue	**275**	-
- Lease Receivable		
Considered Good	**-**	-
Considered Doubtful (refer note 48)	**231**	231
	231	231
Less : Provision (refer note 48)	**231**	231
	-	-
- Fixed Deposits / Margin Money Deposits having maturities of more than 12 months from the Balance Sheet date	**31**	196
- Interest Receivable		
- Interest accrued on Bank Deposits	**-**	14
- Others #	**0**	0
	306	210
# Refer Note 51		
Note 16 : Current Investments		
- **Current portion of Long Term Investment - unquoted**		
833,333 Shares (previous year : 833,333) of USD 0.20 each of fully paid-up of Upaid Systems Limited #	**109**	109
Less: Provision for Diminution in value of Investment	**109**	109
	-	-
- **Investment in Mutual Funds - unquoted (at cost or fair value whichever is lower)**		
13,087,874 (previous year : Nil) Units of ₹ 38.20 (previous year : Nil) each of JM High Liquidity Fund - Direct - Growth	**500**	-
3,619,297 (previous year : Nil) Units of ₹ 193.41 (previous year : Nil) each of ICICI Prudential Money Market Fund - Direct Plan - Growth	**700**	-
211,456 (previous year : Nil) Units of ₹ 2,837.47 (previous year : Nil) each of Kotak Liquid Scheme Plan A - Direct Plan - Growth	**600**	-
22,493,824 (previous year : Nil) Units of ₹ 22.35 (previous year : Nil) each of Kotak Treasury Advantage Fund - Direct Plan - Growth	**503**	-
5,509,660 (previous year : Nil) Units of ₹ 29.04 (previous year : Nil) each of Reliance Medium term Fund - Direct Growth Plan - Growth Option	**160**	-
219,976 (previous year : Nil) Units of ₹ 3,409.45 (previous year : Nil) each of Reliance Liquid Fund - Treasury Plan - Direct Growth Plan - Growth Option	**750**	-
124,669 (previous year : Nil) Units of ₹ 1,604.25 (previous year : Nil) each of Baroda Pioneer Liquid Fund - Plan B - Growth	**200**	-

₹ in Million

	As at	
	March 31, 2015	March 31, 2014
187,835 (previous year : Nil) Units of ₹ 1,597.14 (previous year : Nil) each of Baroda Pioneer Treasury Advantage Fund - Plan B - Growth	**300**	-
15,821,282 (previous year : Nil) Units of ₹ 22.12 (previous year : Nil) each of IDFC Money Manager Fund - Treasury Plan - Growth - (Direct Plan)	**350**	-
394,220 (previous year : Nil) Units of ₹ 1,280.61 (previous year : Nil) each of Axis Banking Debt Fund - Direct Growth	**505**	-
10,000,000 (previous year: 10,000,000) units of ₹ 10.00 (previous year: ₹ 10.00) each of Birla Sun Life-Fixed Term Plan-Series KJ - Direct	**100**	100
10,000,000 (previous year: 10,000,000) units of ₹ 10.00 (previous year: ₹ 10.00) each of Reliance Fixed Horizon Fund - XXV - Series 27 - Direct Plan Growth Plan	**100**	100
10,000,000 (previous year: 10,000,000) units of ₹ 10.00 (previous year: ₹ 10.00) each of Tata Fixed Maturity Plan Series 46 Scheme N - Direct Plan - Growth	**100**	100
10,000,000 (previous year: 10,000,000) units of ₹ 10.00 (previous year: ₹ 10.00) each of ICICI Prudential FMP Series 73 - 407 days Plan C Direct Plan	**100**	100
7,776,331 (previous year: 31,2014: Nil) units of ₹ 100.30 (previous year: ₹ Nil) each of Birla Sun Life Savings Fund - Direct Plan	**780**	-
469,541(previous year: Nil) units of ₹1926.81 (previous year: ₹ Nil) each of Reliance-MoneyManager-Growth-Direct.	**904**	-
6,052,164 (previous year: Nil) units of ₹ 105.74 (previous year: ₹ Nil) each of ICICI Prudential Flexible Income – Growth- Direct.	**640**	-
73,267,402 (previous year:Nil) units of ₹ 10.11 (previous year: ₹ Nil) each of ICICI Prudential Ultra Short Term – Growth- Direct	**740**	-
81,261 (previous year: 2,477,322.13) units of ₹ 100.06 (previous year: ₹189.66) each of ICICI Prudential Liquid - Direct Plan - Growth	**8**	470
431 (previous year: 177,037.65) units of ₹1528.74 (previous year: ₹ 3123.67) each of Reliance - Liquid Fund - Treasury Plan - Direct - Growth	**1**	553
Nil (previous year: 40,315.58) units of ₹ Nil (previous year: ₹ 1736.30) each of UTI Treasury advantage fund - Institutational plan - Growth	**-**	70
Nil (Previous year: 40,870.06) units of ₹ Nil (Previous year: ₹ 1,470.62) each of Baroda Pioneer Liquid Fund plan A-Daily Dividend-Reinvestment	**-**	60
Nil (previous year: 58,659.56) units of ₹ Nil (previous year: ₹ 2366.82) each of Tata- Liquid Fund Direct Plan Daily Dividend-Growth-Mumbai	**-**	139
Nil (previous year: 64,183.15) units of ₹ Nil (previous year: ₹ 1435.65) each of UTI Money Market Fund Direct Plan - Growth	**-**	92
Nil (previous year: 3,605,548.12) units of ₹ Nil (previous year: ₹ 205.50) each of Birla Sun Life Cash Plus - Daily Dividend- Direct Plan -Growth	**-**	741
	8,041	2,525

	₹ in Million As at March 31, 2015	March 31, 2014
Aggregate Amount of Unquoted Investments	**8,150**	2,634
Aggregate amount of Provision for Diminution in value of Investments	**109**	109

In terms of the Settlement Agreement with Upaid Systems Limited, the Company has exchanged all shares it holds in Upaid Systems Limited for consideration received and awaits approval from Reserve Bank of India for adjusting the same against the cost of investment.

Note 17 : Inventories

	March 31, 2015	March 31, 2014
- Others		
Stock of IT equipments and purchased software	**245**	98
	245	98

Note 18: Trade Receivables

	March 31, 2015	March 31, 2014
- Trade Receivables # (Unsecured)		
Over Six Months from the date they were due for payment		
Considered Good*	**2,655**	2,608
Considered Doubtful (refer note 48)	**3,637**	2,722
Others		
Considered Good**	**49,404**	40,880
Considered Doubtful	**10**	637
	55,706	46,847
Less: Provision for Doubtful Receivables (refer note 48)	**3,647**	3,361
	52,059	43,486

refer note 51

1. * Net of remittances received aggregating to ₹ 938 Million (previous year: ₹ 1,234 Million) pending adjustments against invoices.
2. ** Net of remittances received aggregating to ₹ 2,912 Million (previous year: ₹ 1,527 Million) pending adjustments against invoices.

Note 19 : Cash and Bank Balances

	March 31, 2015	March 31, 2014
- Cash and Cash Equivalents		
Cash on Hand	**10**	2
Funds in Transit	**382**	87
Balances with Banks		
In Current Accounts	**9,571**	14,182
In Deposit Accounts	**2,119**	896
Sub-total (a)	**12,082**	15,167

₹ in Million

	As at March 31, 2015	As at March 31, 2014
Note 19 : Cash and Bank Balances (contd)		
- **Other Bank Balances**		
In Deposit Accounts (refer note 1 below)	**6,584**	13,225
Earmarked Balances with Banks		
Unclaimed Dividend	**38**	37
Balances held as Margin Money / Security towards obtaining Bank Guarantees (refer note 2 below)	**5,331**	4,543
Balance held under Escrow Account	**14**	177
Sub-total (b)	**11,967**	17,982

Notes :

1. Certain fixed deposits of the Company then aggregating to ₹ 8,220 Million were provisionally attached vide Order dated October 18, 2012 by the Directorate of Enforcement (ED) ("the Order"). The Hon'ble High court of Andhra Pradesh ("the Court") had, pending further orders, granted stay of the said Order and all proceedings thereto vide its order dated December 11, 2012. The ED had challenged the interim order passed by the Single Judge before the Division Bench of the Court. During the quarter ended December 31, 2014, the Hon'ble High court upon hearing the matter, has dismissed the Appeal filed by ED and continued the Stay granted by the Single Judge vide its order dated December 31, 2014. (refer note 33.3). Fixed Deposits initially attached aggregated to ₹ 8,220 Million, of which ₹ 2,142 Million have been redeemed pursuant to the order passed on December 31, 2014. Certain banks have not released the attachment of the deposits and matter is being pursued legally.
2. Balances held as margin money / security towards obtaining bank guarantees includes certain fixed deposits of the Company aggregating ₹ 4,737 Million which have been kept as margin money / security towards obtaining the bank guarantee towards president of India through the Assistant Commissioner of the Income tax, Mumbai (refer note 37.2.2.(iii))

	March 31, 2015	March 31, 2014
Total (a+b)	**24,049**	33,149
Note 20 : Short-Term Loans and Advances		
(Unsecured, considered good unless otherwise stated)		
- Loans and Advances to Employees		
Considered Good	**679**	877
Considered Doubtful	**82**	104
	761	981
Less: Provision	**82**	104
	679	877
- MAT Credit Entitlement	**77**	179
- Balance with Government Authorities	**8,972**	5,834

₹ in Million

	As at March 31, 2015	As at March 31, 2014
Note 20 : Short-Term Loans and Advances (contd)		
- Security Deposits	**55**	155
- Prepaid Expenses	**2,457**	2,064
- Fair Values of Foreign Exchange Forward and Currency Option Contracts (net) (refer note 53)	**416**	-
- Others#		
Considered Good	**6,072**	5,435
Considered Doubtful	**194**	177
	6,266	5,612
Less : Provision	**194**	177
	6,072	5,435
# Others mainly include		
- Amount deposited and held in escrow account ₹ 3,628 Million (previous year ₹ 3,628 Million) (USD 68.16 Million) towards Aberdeen UK settlement consideration and interest. (refer note 35)		
- Includes amount deposited and held in escrow account ₹ 648 Million (previous year ₹ 648 Million) (USD 12 Million) towards Aberdeen US claims settlement consideration. (refer note 34)		
- Includes amount deposited and held in initial escrow account ₹ 265 Million (previous year ₹ 265 Million) towards class action settlement consideration.		
	18,728	14,544
Note 21: Other Current Assets		
(Unsecured, considered good unless otherwise stated)		
- Unbilled Revenue # (net of provision of ₹ 14 Million (previous year ₹ 16 Million))	**19,150**	10,709
- Interest accrued on Deposits	**101**	611
- Contractually Reimbursable Expenses #		
Considered Good	**153**	297
Considered Doubtful	**26**	47
	179	344
Less : Provision	**26**	47
	153	297
	19,404	11,617

Refer note 51

	March 31, 2015	March 31, 2014
	₹ in Million	
	For the Year Ended	
Note 22: Other Income (net)		
- Interest on:		
Deposit with Banks	**1,478**	2,023
Others	**133**	22
	1,611	2,045
- Foreign Exchange Gain / (Loss) (net)	**(2,234)**	(2,007)
- Rent Income	**73**	25
- Dividend Income on Current Investments	**354**	156
- Sundry Balances Written Back (refer note 28 (d))	**531**	477
- Provision of non-current investments no longer required	**-**	86
- Miscellaneous Income	**730**	348
	1,065	1,130
Note 23: Employee Benefits Expense		
- Salaries and Incentives	**108,891**	90,910
- Contribution to Provident and Other Funds (refer note 45)	**6,330**	4,236
- Gratuity (refer note 45)	**408**	135
- Employee Stock Compensation Cost (net) (refer note 50)	**2,268**	1,312
- Staff Welfare Expenses	**1,240**	762
	119,137	97,355
Note 24: Finance Costs		
- Interest Expense:		
On Debentures and Long Term Loans	**22**	320
On Short Term Loans and Cash Credit	**235**	57
Others #	**42**	324
	299	701
- Foreign Currency Translations	**-**	98
	299	799

includes interest on taxes ₹ Nil (previous year ₹ 124 Million)

	March 31, 2015	March 31, 2014
Note 24 A : Depreciation and Amortization Expense		
Depreciation / Amortisation on Fixed Assets (refer note 12)	**6,038**	5,222
Amortisation on Investment Property (refer note 13)	**76**	-
	6,114	5,222

	₹ in Million	
	For the Year Ended	
	March 31, 2015	March 31, 2014
Note 25: Other Expenses		
- Power and Fuel	**1,509**	1,488
- Rent	**2,595**	2,449
- Rates and Taxes	**591**	365
- Communication Expenses	**2,102**	1,724
- Travelling Expenses	**8,960**	7,981
- Recruitment Expenses	**661**	444
- Training	**357**	248
- Hire Charges	**1,257**	1,032
- Professional and Legal Fees (refer note 46)	**2,153**	1,588
- Repairs and Maintenance :		
Buildings (Including Leased Premises)	**235**	217
Machinery and Computers	**1,898**	1,443
Others	**441**	349
	2,574	2,009
- Insurance	**2,709**	2,041
- Software, Hardware and Project Specific Expenses	**6,618**	5,613
- Claims and Warranties (Net) (refer note 56)	**94**	136
- Advertising, Marketing and Selling Expenses	**1,218**	1,174
- General Office Expenses	**1,674**	1,262
- (Profit) / Loss on Sale of Fixed Assets (Net)	**9**	(113)
- Provision for Impairment in Non-Current Investment (refer note 43)	**-**	243
- Provision for Doubtful Receivables, Unbilled Revenue and Bad Debts written off		
Provided during the year	**1,395**	2,534
Bad Debts written off	**712**	321
Less: Provision reversed during the year	**1,417**	1,644
	690	1,211
- Provision for Doubtful Advances, Deposits and Advances written off		
Provided during the year	**142**	248
Advances written off	**86**	190
Less: Provision reversed during the year	**118**	193
	110	245
- Cash Discount	**393**	290
- Donations	**13**	3
- CSR Expenditure	**583**	348
- Miscellaneous Expenses	**334**	226
	37,204	32,007

26. Particulars of Consolidation

The consolidated financial statements present the consolidated accounts of the Group, which consists of accounts of TechM and its subsidiaries/associate/ joint venture:

a. Investment in subsidiaries:

Name of Company	Country of Incorporation	Extent of holding	
		As at March 31, 2015	As at March 31, 2014
Tech Mahindra IPR Inc. (refer note 27 (a))	U.S.A.	**100%**	100%
Tech Mahindra GmbH (TMGMBH) and its following subsidiaries:	Germany	**100%**	100%
• TechM IT-Services GmbH (refer note 27 (f))	Austria	**100%**	-
• Tech Mahindra Business Services GmbH (refer note 27 (e))	Germany	**100%**	-
Tech Mahindra (Singapore) Pte. Limited (TMSL)	Singapore	**100%**	100%
Tech Mahindra (Thailand) Limited (TMTL)	Thailand	**100%**	100%
PT Tech Mahindra Indonesia (TMI)	Indonesia	**100%**	100%
Tech Mahindra (Malaysia) SDN. BHD. (TMM)	Malaysia	**100%**	100%
Tech Mahindra (Beijing) IT Services Limited (TMB)	China	**100%**	100%
Tech Mahindra (Nigeria) Limited (TMNL)	Nigeria	**100%**	100%
Tech Mahindra (Bahrain) Limited S.P.C. (TMBL)	Bahrain	**100%**	100%
Tech Mahindra Business Services Limited	India	**100%**	100%
Comviva Technologies Limited (Comviva) (refer note 27 (o)) and its following 100% subsidiaries	India	**67.12%**	67.12%
• Comviva Technologies Inc.	U.S.A.	**67.12%**	67.12%
• Comviva Technologies Singapore Pte. Ltd.	Singapore	**67.12%**	67.12%
• Comviva Technologies FZ-LLC	UAE	**67.12%**	67.12%
• Comviva Technologies Nigeria Limited and its following 75% subsidiary	Nigeria	**67.12%**	67.12%
• Hedonmark {Management Services} Limited (refer note 27 (g))	Nigeria	**50.34%**	-
Tech Mahindra South Africa (Pty) Limited (TMSAPL)	South Africa	**51%**	51%
Tech Mahindra BPO Limited (TMBPO)	India	**100%**	100%
Tech Mahindra (Shanghai) Co. Limited (formerly Satyam Computer Services (Shanghai) Co. Limited)	China	**100%**	100%
Tech Mahindra (Nanjing) Co. Limited (formerly Satyam Computer Services (Nanjing) Co. Limited)	China	**100%**	100%
Tech Mahindra Technologies Inc.	U.S.A.	**100%**	100%
Satyam Computer Services (Egypt) S.A.E. (refer note 28 (a))	Egypt	**100%**	100%
Citisoft Plc. and its following 100% subsidiary	U.K.	**100%**	100%
• Citisoft Inc.	U.S.A.	**100%**	100%
Satyam Computer Services Belgium BVBA (refer note 28 (d))	Belgium	**-**	100%
Satyam Venture Engineering Services Private Limited (refer note 27 (h)) and its following 100% subsidiary	India	**50%**	50%
• Satyam Venture Engineering Services (Shanghai) Co. Limited	China	**50%**	50%
• Satyam Venture Engineering Services GmbH	Germany	**50%**	-
Satyam Computer Services De. Mexico S.DE.R.L.DE.C.V (refer note 27 (b))	Mexico	**100%**	100%

Name of Company	Country of Incorporation	Extent of holding	
		As at March 31, 2015	As at March 31, 2014
vCustomer Services LLC (refer note 27 (j))	U.S.A	**-**	100%
New vC Services Private Limited and its following 100% subsidiary	India	**100%**	100%
• vCustomer Philippines, Inc. and its following 100% subsidiary	Philippines	**100%**	100%
• vCustomer Philippines (Cebu), Inc.	Philippines	**100%**	100%
Tech Mahindra Servicos De Informatica LTDA and its following 100% subsidiaries	Brazil	**100%**	100%
• Mahindra Satyam Servicios De Informática Sociedad Anónima Cerrada (refer note 28 (b))	Peru	**-**	100%
• Mahindra Satyam Servicios De Informática S.R.L. (refer note 28 (b))	Argentina	**-**	100%
• Satyam Colombia Servicios De Informática SAS	Columbia	**100%**	100%
• Complex IT Solution Consultoria EM Informatica S/A. (refer note 27 (m))	Brazil	**100%**	51%
Tech Mahindra ICT Services (Malaysia) SDN. BHD.	Malaysia	**100%**	100%
FixStream Networks Inc. (refer note 27 (c)) and its 100% subsidiary	U.S.A.	**75%**	-
• Quexa Systems Private Limited	India	**75%**	-
TechM Canada Inc. (refer note no. 27 (d))	Canada	**100%**	-
Mahindra Technologies Services Inc. (refer note 27 (p))	U.S.A.	**100%**	-
Mahindra Engineering Services (Europe) Limited (refer note 27 (p))	U.K.	**100%**	-
Mahindra Engineering GmbH (refer note 27 (p))	Germany	**100%**	-
Tech Mahindra (Americas) Inc. (TMA) and its following subsidiaries:	U.S.A.	**100%**	100%
• Tech Talenta Inc. (TTI)	U.S.A.	**100%**	100%
• Lightbridge Communications Corporation and its subsidiaries (refer note 27 (i))	U.S.A.	**100%**	-
• Burgundy Holding Corporation	U.S.A	**100%**	-
• LCC Deployment Services Inc.	U.S.A.	**100%**	-
• LCC Design Services, Inc.	U.S.A.	**100%**	-
• LCC International, Inc.	U.S.A.	**100%**	-
• LCC Wireless Design Services, Inc.	U.S.A.	**100%**	-
• LCC Wireless Services, Inc.	U.S.A.	**100%**	-
• Lightbridge Middle East Holdings, Inc.	U.S.A.	**100%**	-
• Lightbridge North America Holdings, Inc.	U.S.A.	**100%**	-
• Opticore EMA, LLC	U.S.A.	**100%**	-
• Opticore Holdings, Inc	U.S.A	**100%**	-
• Opticore Networks, Inc.	U.S.A	**100%**	-
• Opticore Networks EMA, LLC	U.S.A	**100%**	-
• LCC Diseno y Servicios Argentina, SRL	Argentina	**100%**	-
• LCC Service Belgium NV	Belgium	**100%**	-
• LCC do Brasil Ltda.	Brazil	**100%**	-
• LCC Wireless Services Canada, Inc	Canada	**100%**	-
• LCC Diseno y Servicios Chile	Chile	**100%**	-
• LCC Colombia SAS	Colombia	**100%**	-

Name of Company	Country of Incorporation	Extent of holding	
		As at March 31, 2015	As at March 31, 2014
• LCC Middle East FZ-LLC	UAE	**100%**	-
• LCC Engineering & Deployment Services Misr, LTD	Egypt	**100%**	-
• LCC France SARL	France	**100%**	-
• LCC Telecom GmbH	Germany	**95%**	-
• LCC Design & Deployment Services Ltd.	Greece	**100%**	-
• LCC India Private Limited	India	**100%**	-
• LCC Italia S.R.L.	Italy	**100%**	-
• LCC Saudi Telecom Services, Ltd.	Saudi Arabia	**100%**	-
• LCC Central America de Mexico, SA de CV	Mexico	**100%**	-
• LCC Wireless Communications Services Maroc, SARLAU	Morocco	**100%**	-
• LCC Acquisition Holdings B.V.	Netherlands	**100%**	-
• LCC Europe Cooperatief U.A.	Netherlands	**100%**	-
• LCC Europe Holdings, BV	Netherlands	**100%**	-
• LCC Installation & Services Professionals BV	Netherlands	**95%**	-
• LCC Installation & Services Projects BV	Netherlands	**95%**	-
• LCC Middle East Holdings, B.V.	Netherlands	**100%**	-
• LCC Network Services, B.V.	Netherlands	**95%**	-
• LCC North Central Europe, B.V.	Netherlands	**100%**	-
• LCC Projects BV	Netherlands	**95%**	-
• LCC Professionals, B.V.	Netherlands	**95%**	-
• LCC Telecom Infra Professionals BV	Netherlands	**95%**	-
• LCC Telecom Infra Projects BV	Netherlands	**95%**	-
• LCC Muscat LLC	Oman	**100%**	-
• LCC Pakistan Private Ltd	Pakistan	**100%**	-
• LCC Peru S.R.L	Peru	**100%**	-
• LCC Networks Poland Sp.z.o.o	Poland	**100%**	-
• Light Bridge Communications Corporation LLC	Qatar	**95%**	-
• LCC Wireless Communications Espana, SA	Spain	**100%**	-
• LCC Telekomunikasyon Servis Limited	Turkey	**100%**	-
• LCC Deployment Services UK, Ltd.	U.K.	**100%**	-
• LCC United Kingdom, Ltd.	U.K.	**100%**	-
• LCC Wireless Engineering Services, Ltd.	U.K.	**100%**	-
• Merlin Projects, Ltd.	U.K.	**100%**	-
• Wireless Facilities International, Ltd.	U.K.	**100%**	-
• Leadcom Integrated Solutions USA Inc.	U.S.A.	**100%**	-
• Leadcom S.A.	Argentina	**100%**	-
• Leadcom Bolivia S.R.L.	Bolivia	**100%**	-
• Integrated Solutions Tchad SARL	Chad	**100%**	-
• Leadcom Telecommunicaciones de Chile S.A.	Chile	**100%**	-
• Leadcom de Colombia S.A.	Colombia	**100%**	-
• Leadcom DRC SARL	Congo	**100%**	-
• Leadcom del Ecuador S. A.	Ecuador	**100%**	-
• Leadcom Integrated Solutions (SPV) SAS	France	**100%**	-

Name of Company	Country of Incorporation	Extent of holding	
		As at March 31, 2015	As at March 31, 2014
• Leadcom Gabon S.A.	Gabon	**100%**	-
• STA Gabon	Gabon	**100%**	-
• Leadcom Ghana Limited	Ghana	**100%**	-
• Servicios Integrales de Telecommunicaciones Y Obras Civiles, Sociedad Anonima	Guatemala	**100%**	-
• Leadcom Integrated Solutions (L.I.S.) Ltd	Israel	**100%**	-
• Societe de Telecommunications Africaine (STA) Abidjan	Ivory Coast	**100%**	-
• Leadcom Integrated Solutions Kenya Limited	Kenya	**100%**	-
• Leadcom Mexico S.A. de C.V.	Mexico	**100%**	-
• Leadcom Integrated Solutions Myanmar Co., Ltd	Myanmar	**100%**	-
• Leadcom EMEA B.V.	Netherlands	**100%**	-
• LeadCom Integrated Solutions International B.V.	Netherlands	**100%**	-
• Leadcom Panama S.A.	Panama	**100%**	-
• Leadcom Peru S.A.C.	Peru	**100%**	-
• Leadcom Integrated Solutions Rwanda Ltd	Rwanda	**100%**	-
• STA Dakar	Senegal	**100%**	-
• Leadcom Integrated Solutions Tanzania Ltd	Tanzania	**100%**	-
• Leadcom Uganda Limited	Uganda	**100%**	-
• Coniber S.A.	Uruguay	**100%**	-
• Leadcom Telecommunicacoes Costa Rica S.A.	Costa Rica	**100%**	-
Sofgen Holdings Limited (refer note 27 (k)) and its subsidiaries :	Cyprus	**100%**	-
• Sofgen Americas Inc	U.S.A.	**100%**	-
• Sofgen Services Limited	Cyprus	**100%**	-
• Sofgen Limited	Cyprus	**100%**	-
• Sofgen (UK) Limited	U.K.	**100%**	-
• SC Compania Sofgen SRL	Romania	**100%**	-
• Sofgen Luxembourg SARL	Luxembourg	**100%**	-
• Sofgen Ireland Limited	Ireland	**100%**	-
• Sofgen SA	Switzerland	**100%**	-
• Sofgen Consulting AG	Switzerland	**100%**	-
• Sofgen SaveTax S.A	Switzerland	**100%**	-
• Sofgen SA	Bahamas	**100%**	-
• Sofgen Africa Limited	Kenya	**100%**	-
• Sofgen West Africa Limited	Ghana	**100%**	-
• Sofgen India Private Limited	India	**100%**	-
• Sofgen SDN. BHD.	Malaysia	**100%**	-
• Sofgen Services Pte. Ltd.	Singapore	**100%**	-
• Sofgen Australia Pty Limited	Australia	**100%**	-
Tech Mahindra DRC SARLU (refer note 27 (l))	Congo DRC	**100%**	-
Bridge Strategy Group LLC (refer note 28 (g))	U.S.A	**-**	-

b. Investment in Associate:

Name of Company	Country of Incorporation	Extent of Holding as at March 31, 2015	Extent of Holding as at March 31, 2014
Avion Networks, Inc. (refer note 27 (n))	U.S.A.	**30%**	-
SARL Djazatech (refer note 27 (i))	Algeria	**49%**	-
EURL LCC UK Algerie (refer note 27 (i))	Algeria	**49%**	-

c. Investment in Joint Venture :

Name of Company	Country of Incorporation	Extent of Holding as at March 31, 2015	Extent of Holding as at March 31, 2014
Global ICT Investment Holdings Pte. Ltd. (Global ICT) (refer note no. 28 (e))	Singapore	**-**	50%

27. Acquisitions/Additional Investments in entities

a) During the year ended March 31,2015, the Company has acquired 100% stake in Tech Mahindra IPR Inc. from Tech Mahindra (Americas) Inc. (100% subsidiary of the company) w.e.f. June 26, 2014 for a consideration of USD 0.10 Million (₹ 6 Million).

b) The Company during the year ended March 31, 2009, has incorporated a 100% subsidiary in Mexico (Satyam Computer Services De Mexico S.DE.R.L.DE C.V). During the year ended March 31, 2015 the Company has infused share capital of USD 0.50 Million (₹ 31 Million).

c) During the year ended March 31, 2015, the company acquired 75% stake in FixStream Networks Inc., a Delaware Corporation for a consideration of USD 10 Million as per the share purchase agreement dated April 18, 2014. The company remitted the amount of USD 10 Million (₹ 604 Million) and 18,400,279 equity shares of Series A common stock was transferred in its name on April 30, 2014 having face Value USD 0.0001.

d) During the year ended March 31, 2015 the Company has incorporated a 100% subsidiary in Canada namely TechM Canada Inc. However, neither any investment has been made by the company in the said subsidiary as at March 31, 2015 nor has commenced its operations.

e) Tech Mahindra GmbH (100% subsidiary of Tech Mahindra Limited) entered into a share and asset purchase agreement dated February 26, 2014 for acquiring 100% stake in the equity of BASF Business Services holding GmbH (BASF) for a consideration not exceeding EUR 10 Million (₹ 822 Million) subject to achievement of certain conditions and regulatory approvals. Post the achievement of certain conditions, the amount of EUR 8.18 Million (₹ 660 Million) was remitted on July 29, 2014 and on same date, the shares were transferred in name of Tech Mahindra GmbH and its nominees were appointed on BASF's Board of Directors. Accordingly, effective, July 29, 2014 BASF became a wholly owned subsidiary of Tech Mahindra GmbH. Subsequently, BASFs name was changed in August 2014 to Tech Mahindra Business Services GmbH.

f) During the year ended March 31, 2015 Tech Mahindra GmbH incorporated a 100% subsidiary as TechM IT Services GmbH (TMITS) in Austria. During the year ended March 31, 2015 Tech Mahindra GmbH has infused share capital of EUR 0.005 Million (₹ 1 Million) and it has commenced its operations.

g) During the year ended March 31, 2015 Comviva Technologies Nigeria Limited, acquired 75% stake in equity of Hedonmark (Management Services) Limited for a consideration of USD 0.35 Million (₹ 20 Million). After completion of necessary procedures and documentation in November 2014, the equity shares were transferred in name of Comviva Technologies Nigeria Limited and they appointed its nominees on the Board and consequently Hedonmark (Management Services) Limited became a subsidiary of Comviva Technologies Nigeria Limited.

h) Satyam Venture Engineering Services Private Limited during the year ended March 31, 2015 has incorporated a 100% subsidiary in Germany namely Satyam Venture Engineering Services GmbH. During the year ended March 31, 2015, Satyam Venture Engineering Services Private Limited has infused share capital of EUR 0.025 Million (₹ 2 Million) and it has commenced its operations.

i) Tech Mahindra (Americas) Inc. (100 % subsidiary of the company) has w.e.f January 2, 2015 acquired 100% Stake in Lightbridge Communications Corporation (LCC) based in USA, for a consideration of USD 170 Million (₹ 10,773 Million), paid upfront. Acquisition cost incurred amounting of ₹ 168 Million has been added to the cost of investment. LCC is one of the largest independent global providers of Network Engineering services. LCC has built 350 networks and designed more than 350,000 cell sites for over 400 customers worldwide.

j) During the quarter ended March 31, 2015, as per the approved merger scheme, effective date being February 2, 2015, vCustomer Services LLC (100% subsidiary of Tech Mahindra Limited) has been merged with Tech Mahindra (Americas) Inc. (100% subsidiary of Tech Mahindra Limited) and the entire business and all the assets and liabilities, duties and obligations of vCustomer Services LLC have been transferred to and vested in the Tech Mahindra (Americas) Inc. On merger, as per resolution passed by Board of Directors of Tech Mahindra (Americas) Inc. dated February 27, 2015, Tech Mahindra (Americas) Inc. issued 146,745 equity shares to Tech Mahindra Limited, being equity shares issued without consideration received in cash.

k) The Company, pursuant to share purchase agreement dated January 8, 2015, has acquired 100% stake (comprising of 1,065,848 Ordinary Shares of Euro 1 each and 27,062 Class A shares of Euro 1 each) in Sofgen Holdings Limited (Sofgen) on March 13, 2015 for a consideration upto USD 24.25 Million, out of which USD 14.25 Million (₹ 895 Million) paid upfront and balance amount of USD 10 Million being contingent on achieving agreed performance based milestones over a period of two years ending December 31, 2015 (USD 6 Million) and December 31, 2016 (USD 4 Million). Sofgen is into a niche consulting and services specializing in private / wealth, commercial and retail banking solutions. Tech Mahindra Limited has incurred expenditure of ₹ 24 Million on acquisition of shares in Sofgen and the same has been added to the cost of investment.

l) On March 30, 2015, Company has incorporated 100% subsidiary as Tech Mahindra DRC SARLU in Congo DRC. As on March 31, 2015 neither any investment has been made by the company in the said subsidiary nor has commenced its operations.

m) Tech Mahindra Servicos De Informatica LTDA (100% subsidiary of the company) which held 51% stake in Complex IT Services Consultoria EM Informatica LTDA ("Complex IT Services") has acquired balance stake of 49% in Complex IT Services for a consideration of BRL 21.40 Million (₹ 415 Million) out of which BRL 0.40 Million paid upfront, BRL 8 Million and 13 Million payable on December 31, 2015 and 2016 respectively. As at March 31, 2015, Complex IT Services has become a 100% subsidiary of Tech Mahindra Servicos De Informatica LTDA.

n) During the quarter ended March 31, 2015, Tech Mahindra (Americas) Inc. (100% subsidiary of Tech Mahindra Limited) acquired 30% stake for USD 3 Million in Avion Networks Inc. Tech Mahindra (Americas) Inc. has been issued 600,000 shares of the Series A Preferred Stock (par value $0.001 per share) for a total consideration of USD 3 Million, paid upfront and USD 3 Million payable in calendar year 2016 on achievement of mutually agreed milestones. Post the payment, one nominee of Tech Mahindra Limited has been appointed on the board of Avion Networks Inc. The Company has classified this investment as investment in associate.

o) The Company w.e.f. December 13, 2012 acquired 47.02% stake in Comviva Technologies Limited ("Comviva"). Since then, the Company has increased its stake in Comviva to 67.12%. As at March 31, 2014 ₹ 767 Million were payable of which earn-out was ₹ 552 Million and balance amount of ₹ 215 Million is guaranteed amount. As at March 31, 2015, the Company has paid the said amount of ₹ 767 Million.

p) Consequent to the merger of erstwhile Mahindra Engineering Services Limited (MESL) with the Company with effect from April 01, 2013, following three subsidiaries of MESL have become subsidiaries of the Company during year ended March 31, 2015 :

a. Mahindra Technologies Services Inc.

b. Mahindra Engineering Services (Europe) Limited.

c. Mahindra Engineering GmbH.

q) On January 30, 2015, the Company has invested 19% for a consideration of ₹ 0.02 Million in New Democratic Electoral Trust, a company registered under Section 8 of Companies Act, 2013, incorporated on September 26, 2014 by Mahindra & Mahindra Limited.

r) In June 2014, pursuant to the purchase agreement for acquisition of Leadcom Integrated Solutions by LCC Acquisitions Holding B.V (LCC BV) (subsidiary of Lightbridge Communications Corporation) for a consideration of USD 33.50 Million. As per purchase agreement, LCC BV paid upfront payment of USD 22.33 Million and balance USD 11.10 Million payable in 24 equal installment of USD 0.41 Million per month starting from October 1, 2014. Accordingly, the total liability as at the year end is USD 9.12 Million (Equivalent to INR 569 Million).

28. Disinvestments / Liquidations :

a) Satyam Computer Services (Egypt) S.A.E a 100% subsidiary had applied for voluntary liquidation during the year ended March 31, 2012 as per local regulations applicable to it. However, pending such liquidation, this subsidiary has been considered for the purpose of consolidation.

b) During the year ended March 31, 2015 Mahindra Satyam Servicios DE Informatica S.R.L., Argentina and Mahindra Satyam Servicios DE Informatica Sociedad Anonima Cerrada, Peru (100% subsidiaries of Tech Mahindra Servicos DE Informatica LTDA) have been liquidated as per the laws of the respective countries and approval from RBI is pending.

c) Satyam (Europe) Limited and Vision Compass Inc. (100% subsidiaries of the company) have been liquidated / dissolved as per the laws of the respective countries. However, approval from the Reserve Bank of India for writing off the investments from the books of the Company has not yet been received. The outstanding amounts of investments in these companies have been fully provided for.

d) During the year ended March 31, 2015 Satyam Computer Services Belgium, BVBA (100% subsidiary of the company) had applied for voluntary liquidation and has been dissolved in accordance with Article 184 of the Companies Code applicable in the respective country (Belgium) on September 17, 2014. On liquidation, the Company has received ₹ 328 Million (EUR 4.23 Million) as proceeds of liquidation of said entity. TechM value of investment in the said entity (net of provision) before the liquidation was ₹ 316 Million and as the remittance received was ₹ 328 Million and hence the excess provision of ₹ 12 Million has been accounted under sundry balance written back under other income. The company has applied for RBI approval to write off the said investment which is yet to be received and hence the investments and provision for investments are not knocked off.

e) In September 2012, erstwhile Satyam had entered into a Subscription and Shareholders' agreement with SBI Hong Kong Holdings Co. Limited to set up a Joint Venture in Singapore namely Global ICT Investment Holdings Pte. Ltd (Global ICT). Neither of the venture has infused capital in it nor it has commenced its operations and Global ICT has been closed down in March 2015.

f) Nitor Global Solutions Limited ("Nitor"), a 100 % subsidiary of erstwhile Satyam, had applied for voluntary liquidation during the year ended March 31, 2012 as per regulations applicable in the respective country. The outstanding receivables (net of payables) amounts from Nitor and the Company's investment in Nitor have been fully provided for in the Company's books of account. The Company, during the year ended March 31, 2014, received GBP 0.01 Million (₹ 5 Million) from the said liquidator towards part distributions to the equity shareholders. Accordingly, the Company's investment in Nitor has been adjusted and provision has been revised to that extent. Further, Nitor has been dissolved and name has been struck-off from Registrar of Companies United Kingdom w.e.f. January 20, 2014. The Company has filed an application with RBI and the Company is still awaiting approval from RBI for writing off the investments from the books of accounts as of March 31, 2015.

g) Erstwhile Satyam in April 2008, through a definitive purchase agreement, purchased 100% of the membership interests of Bridge Strategy Group, LLC ('Bridge'), a Chicago based strategy and general management consulting firm and a Limited Liability Company (limited by Membership Interest) for a total cash consideration of USD 35 Million (₹ 1,439 Million) and subsequently infused USD 12 Million (₹ 558 Million) in the said entity. The said investments of ₹ 1,997 Million were fully provided for in the books of account.

During the previous year ended March 31, 2014, the Company through the agreement dated October 18, 2013, sold the 100% of the membership interests of Bridge for a total consideration of USD 3.50 Million (₹ 217 Million). Accordingly, the amount of investments and provisions against the said investments were knocked off and the balance amount has been recognised as other income during previous year ended March 31, 2014.

29. Following entities have not been considered for consolidation

Name of Company	Country of Incorporation	Extent of Holding (%) as on March 31, 2015
Tech Mahindra Foundation (refer note (i) below)	India	100%
Mahindra Educational Institutions (refer note (ii) below)	India	100%
Mahindra Satyam Foundation Trust	India	100%
Satyam Associates Trust	India	100%
TML Benefit Trust	India	100%
TML Odd Lot Trust	India	100%
Mahindra Engineering Services ESOP Trust	India	100%

i) Tech Mahindra Foundation (TMF) was promoted in 2006 by Tech Mahindra Limited as Section 8 Company, with the objective of promoting social and charitable activities. TMF primarily concentrates on rendering assistance to the needy and under privileged people in the society. TMF is a Section 8 Company not considered for consolidation as it can apply its income for charitable objects only and cannot pay dividend or transfer funds to its parent.

ii) On April 9, 2013, erstwhile Satyam incorporated Mahindra Educational Institutions under Section 8 of the Companies Act to promote education and research in different disciplines. Mahindra Educational Institutions though controlled by TechM, is not considered for the purpose of consolidation since, in the opinion of the Management, the objective of control over such entities is not to obtain economic benefits from their activities.

30. Following subsidiaries are not considered for consolidation as they are closed in their respective countries and only RBI approval for the same is awaited

Name of Company	Country of Incorporation
Satyam (Europe) Limited (refer note 28 (c))	U.K.
Vision Compass Inc. (refer note 28 (c))	USA
Nitor Global Solutions Limited (refer note 28 (f))	U.K.

31. Scheme of Amalgamation and Arrangement:

Pursuant to the Scheme of Amalgamation and Arrangement (the "Scheme") sanctioned by the Honourable High Court of Andhra Pradesh vide its order dated June 11, 2013 and the Honourable High Court of Judicature at Bombay vide its order dated September 28, 2012, Venturbay Consultants Private Limited ("Venturbay"), CanvasM Technologies Limited ("CanvasM") and Mahindra Logisoft Business Solutions Limited ("Logisoft"), the wholly owned subsidiaries of the Company, and Satyam Computer Services Limited ("Satyam") an associate of the Company (through Venturbay) and C&S System Technologies Private Limited (C&S) a wholly owned subsidiary of erstwhile Satyam, merged with the Company with effect from April 1, 2011 (the "appointed date"). The Scheme came into effect on June 24, 2013, the day on which both the orders were delivered to the Registrar of the Companies, and pursuant thereto the entire business and all the assets and liabilities, duties and obligations of Satyam, Venturbay, CanvasM, Logisoft and C&S have been transferred to and vested in the Company with effect from April 1, 2011.

In accordance with the Scheme, the investments held in the respective subsidiaries and associate have been cancelled and the Company has issued 2 equity shares of ₹ 10 each fully paid up in respect of every 17 equity shares of ₹ 2 each in the equity share capital of Satyam, aggregating 103 Million equity shares.

The Company transferred, out of its total holding in Satyam as on April 1, 2011, 204 Million equity shares to a Trust, to hold the shares and any additions or accretions thereto exclusively for the benefit of the Company. The balance shares held by the Company in Satyam have been cancelled.

As the other amalgamating companies i.e. Venturbay, Logisoft, CanvasM and C&S were wholly owned subsidiaries of the Company / Satyam, as applicable, no equity shares were exchanged to effect the amalgamation in respect thereof.

These amalgamations with the Company are non-cash transactions.

31.1 General nature of business of the amalgamating companies:

- Satyam is leading information, communications and technology (ICT) company providing a range of business consulting, information technology and communication services to companies across multiple industries and geographies.
- Venturbay is engaged in providing programming and software solutions, information technology, networking and consultancy services.
- CanvasM is engaged in the business of information technology (IT) and software services relating to developing, improving, designing, assembling, marketing, and allied activities including dealing in all types of computer programming, system software, data processing and warehousing, data base management systems and interactive multimedia and peripheral products.
- Logisoft is engaged in the business of information technology services relating to design and development of dealership management systems and IT software services.
- C&S is engaged in the business of providing information technology (IT) and software services relating to solutions and consultation in the space of learning management, communications and collaborations management, document and workflow management, eSecurity, identity, access and building management, managed services, etc.

The amalgamating companies operating in specialized domains of the information technology as indicated above, amalgamating the business in a single entity provides for consolidating the information technology business bringing in synergy benefits, enhanced depth and breadth of capabilities, attain efficiencies and reduce overall cost.

31.2 Accounting treatment of the amalgamation

The amalgamation is accounted under the 'pooling of interest' method as per Accounting Standard 14 as notified under Section 211(3C) of the Companies Act, 1956 and as modified under the Scheme as under:

- All assets and liabilities (including contingent liabilities), reserves, benefits under income tax, benefits for and under special economic zone registrations, duties and obligations of Satyam, Venturbay, CanvasM, Logisoft and C&S have been recorded in the books of account of the Company at their existing carrying amounts and in the same form.
- The amount of Share Capital of Venturbay, CanvasM, Logisoft, Satyam and C&S have been adjusted against the corresponding investment balances held by the Company in the amalgamating companies and the equity shares issued by the Company pursuant to the Scheme and the excess of investments (gross) over the Share Capital, as given below, have been adjusted to reserves ("Amalgamation Reserve").
- Accordingly, the amalgamation has resulted in transfer of assets and liabilities in accordance with the terms of the Scheme at the following summarized values:

₹ in Million

Particulars	**Amount**
Fixed Assets (net)	8,493
Capital Work in Progress	2,252
Non-Current Investments	32,525
Deferred Tax Asset	1,681
Current Investments	-
Trade Receivables	16,934
Cash and cash equivalents	21,004
Other cash and bank balances	6,400
Loans and Advances (long term and short term)	20,920
Liabilities and provisions (long term and short term)	(37,025)
Long-Term and Short-Term Borrowings	(215)
Net Assets	72,969

Net difference between Investments and share capital of amalgamating companies	(1,357)
Add: Equity shares issued pursuant to the scheme of amalgamation	1,035
Debit balance in statement of profit and loss as of April 01, 2011	2,811
Debit balance in Amalgamation reserve	2,489

- Further, in accordance with the Scheme, the debit balance in the Amalgamation Reserve as of April 1, 2011, if any, pursuant to the amalgamation have been adjusted against the securities premium account. The application and reduction of the securities premium account is effected as an integral part of the sanctioned Scheme which is also deemed to be the order under Section 102 of the Companies Act, 1956 (the "Act") confirming the reduction. Accordingly, the aforesaid balance in Amalgamation Reserve aggregating ₹ 2,489 Million as of April 1, 2011 has been adjusted against the securities premium account.

  The Board of erstwhile Satyam had for the year ended March 31, 2013 proposed a dividend of ₹ 0.60 per equity share amounting to ₹ 826 Million (including dividend tax thereon), which was provided for in its financial statements for the year ended March 31, 2013. Since the merger has become effective on June 24, 2013, the dividend could not be approved by the shareholders in the AGM which was scheduled to be held on August 2, 2013. Erstwhile Satyam shareholders, who have been issued TechM shares in the ratio of 2 shares in TechM for 17 shares in erstwhile Satyam, became entitled to dividend of ₹ 5 per share. As shares of erstwhile Satyam held by Venturbay are cancelled on the merger, there is an excess provision of dividend of ₹ 217 Million, relating to the said shares of Venturbay that have been cancelled, which has been reversed from the proposed dividend.

The Board of Directors in its meeting held on June 25, 2013 had fixed July 5, 2013 as the Record Date for determining the shareholders of erstwhile Satyam who would be entitled to receive shares of the Company in the ratio of 2 equity Shares of ₹ 10/- each fully paid up in respect of 17 equity shares of ₹ 2/- each fully paid up of erstwhile Satyam in accordance with approved Scheme of Amalgamation and Arrangement. On July 6, 2013, the Securities Allotment Committee of the Board of Directors of the Company have allotted 103,485,396 equity shares of face value of ₹ 10/- each fully paid-up of the Company to the shareholders of erstwhile Satyam ranking pari-passu in all respects with the existing equity shares of the Company.

31.3 Other adjustments / matters arising out of amalgamation

In terms of the Scheme, the appointed date of the amalgamation being April 1, 2011, net profit from the amalgamating companies during the financial years 2011-12 and 2012-13 aggregating ₹ 19,735 Million has been transferred, to the extent not accounted already, to the Surplus in Statement of Profit and Loss in the books of the Company upon amalgamation.

31.4 Pursuant to the Scheme, the title deeds for the immovable properties pertaining to the amalgamating companies are pending conveyance in the name of the Company. Further, the Company has initiated the name change formalities to transfer the title in respect of the other properties, contracts etc.

31.5 Appeals against the order sanctioning the Scheme

Appeals against the order by the single judge of the Honourable High Court of Andhra Pradesh approving the Scheme of merger have been filed by 37 companies before the Division Bench of the Honourable High Court of Andhra Pradesh. No interim orders have been passed and the appeals are pending hearing.

One of the said company has also appealed against the order of the single judge rejecting the Petition for winding up of erstwhile Satyam. The matter has been combined with the above appeals for hearing.

32. Scheme of Amalgamation and Arrangement of Mahindra Engineering Services Limited (MESL):

Pursuant to the Scheme of Amalgamation and Arrangement (the "Scheme") sanctioned by the Honourable High Court of Bombay vide its order dated October 31, 2014, Mahindra Engineering Services Limited ("MESL"), merged with the Company with effect from April 1, 2013 (the "appointed date"). The Scheme came into effect on December 8, 2014, the day on which the order was delivered to the Registrar of the Companies, and pursuant thereto the entire business and all the assets and liabilities, duties, taxes and obligations of MESL have been transferred to and vested in the Company with effect from April 1, 2013.

In accordance with the Scheme approved by the Honourable High Court of Bombay, the Company has, in December, 2014, issued 5 equity shares of ₹ 10 each fully paid up in respect of every 12 equity shares of ₹ 10 each outstanding in the equity share capital of MESL, aggregating to 4,259,011 equity shares as purchase consideration to the existing shareholders of MESL.

32.1 General nature of business of the amalgamating company

MESL is engaged in the business of rendering engineering services in relation to designing and developing parts, components, systems and aggregates relating to the automotive sector.

The amalgamating company operating in specialized domain of rendering engineering services as indicated above, amalgamating the business in a single entity provides for bringing in synergy benefits, single 'go-to-market' strategy, benefits of scale, enhanced depth and breadth of capabilities, standardization and simplification of business processes, attain efficiencies and reduce overall cost.

32.3 Accounting treatment of the amalgamation

The amalgamation is accounted under the 'pooling of interest' method as per Accounting Standard 14 as notified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and as modified under the Scheme as under:

- All assets, liabilities and reserves, including the surplus in the statement of Profit and Loss of MESL have been recorded in the books of account of the Company at their respective carrying amounts and in the same form.
- In accordance with the Scheme sanctioned by the Honourable High Court of Bombay, the Company has, on December 20, 2014, issued 5 equity shares of ₹ 10 each fully paid up in respect of every 12 equity shares of ₹ 10 each outstanding in the equity share capital of MESL, aggregating to 4,259,011 equity shares as purchase consideration to the existing shareholders of MESL ranking pari-passu in all respects with the existing equity shares of the Company.
- The difference between face value of equity shares issued by the Company pursuant to the Scheme and the amount of share capital of the amalgamating company, have been adjusted to Reserves of the transferee company.
- Accordingly, the amalgamation has resulted in transfer of assets and liabilities in accordance with the terms of the Scheme at the following summarized values:

(₹ **in Million**)

Particulars	**Amount**
Fixed Assets (net)	57
Non-Current Investments	68
Deferred Tax Asset	27
Current Investments	637
Trade Receivables	287
Cash and Bank Balances	753
Other Current Assets	86
Loans and Advances (long term and short term)	447
Liabilities and provisions (long term and short term)	(409)
Net Assets	1,953

Equity Share capital of amalgamating company	(102)
Equity shares issued by Tech Mahindra Limited pursuant to the scheme	42
Capital Reserve (credit balance)	(60)

32.3 Other adjustments / matters arising out of amalgamation

In terms of the Scheme, the appointed date of the amalgamation being April 1, 2013, net profit from the amalgamating company and its subsidiaries aggregating to ₹ 505 Million (including ₹ 77 Million pertaining to its subsidiaries) and movements in other components of reserves and surplus during the financial year 2013-14 has been transferred, to the extent not accounted already, at their respective carrying amounts and in the same form in the books of the Company upon amalgamation.

Accordingly, the figures for the year ended March 31, 2015 are after giving effect to the merger, while the comparative figures are before giving effect to the merger and, hence are not comparable.

32.4 Pursuant to the Scheme, the title deeds for the properties pertaining to the amalgamating company are pending conveyance in the name of the Company. Further, the Company has initiated the name change formalities to transfer the title in respect of the contracts, agreements, etc.

33. Certain matters relating to investigations pertaining to erstwhile Satyam Computer Services Limited (erstwhile Satyam):

33.1 Investigation by authorities in India

In the letter of January 7, 2009 (the "letter") of Mr. B. Ramalinga Raju, the then Chairman of erstwhile Satyam, admitted that the Balance Sheet of erstwhile Satyam as at September 30, 2008 carried an inflated cash and bank balances, non-existent accrued interest, an understated liability and an overstated debtors position. Consequently, various regulators / investigating agencies such as the Central Bureau of Investigation (CBI), Serious Fraud Investigation Office (SFIO) / Registrar of Companies (ROC), Directorate of Enforcement (ED), etc., had initiated their investigation on various matters. On April 09, 2015, the Special Session Court in its judgment has sentenced rigorous imprisonment to B. Ramlinga Raju including others for offence punishable under various sections of Indian Penal Code.

On May 22, 2013, the ED has issued a show-cause notice to erstwhile Satyam for contravention of provisions of the Foreign Exchange Management Act, 1999 (FEMA) for alleged non-repatriation of ADS proceeds aggregating USD 39.2 Million. The Company has responded to the show-cause notice.

Certain agencies viz., SFIO and ED, pursuant to the matters stated above, had conducted inspections and issued notices calling for information from certain subsidiaries which have been responded / in the process of being responded to. In furtherance to the investigation of erstwhile Satyam, certain Regulatory Agencies in India sought assistance from Overseas Regulators and accordingly, sought information from certain overseas subsidiaries.

As per the assessment of the Management, based on the forensic investigation and the information available up to this stage, all identified / required adjustments / disclosures arising from the identified financial irregularities, had been made in the financial statements of erstwhile Satyam as at March 31, 2009.

Considerable time has elapsed after the initiation of investigation by various agencies and erstwhile Satyam had not received any further information as a result of the various ongoing investigations against erstwhile Satyam which required adjustments to the financial statements.

Further, in the opinion of the Management, no new claims have been made when the Andhra Pradesh High Court considered and approved the merger, which need any further evaluation / adjustment / disclosure in the books, and all existing claims have been appropriately dealt with / recorded / disclosed in the books based on their current status.

Considering the above, notwithstanding the pendency of the various investigations / proceedings, the Management is of the view that the above investigations / proceedings would not result in any additional material provisions / write-offs / adjustments (other than those already provided for, written-off or disclosed) in the financial statements of the Company.

33.2 Forensic investigation and nature of financial irregularities

Consequent to the aforesaid letter, the Government nominated Board of Directors of erstwhile Satyam appointed an independent counsel ("Counsel") to conduct an investigation of the financial irregularities. The Counsel appointed forensic accountants to assist in the investigation (referred to as "forensic investigation") and preparation of the financial statements of erstwhile Satyam.

The forensic investigation conducted by the forensic accountants investigated accounting records to identify the extent of financial irregularities and mainly focused on the period from April 1, 2002 to September 30, 2008, being the last date up to which erstwhile Satyam published its financial results prior to the date of the letter. In certain instances, the forensic accountants conducted investigation procedures outside this period.

The forensic investigation had originally indicated possible diversion aggregating USD 41 Million from the proceeds of the American Depositary Shares (ADS) relating to erstwhile Satyam. The amount was revised to USD 19 Million based on the further details of utilisation of ADS proceeds obtained by erstwhile Satyam.

The overall impact of the fictitious entries and unrecorded transactions arising out of the forensic investigation, to the extent determined was accounted in the financial statements for the financial year ended March 31, 2009 of erstwhile Satyam.

Based on the forensic investigation, an aggregate amount of ₹ 11,393 Million (net debit) was identified in the financial statements of erstwhile Satyam as at March 31, 2009 under "Unexplained differences suspense account (net)" comprising of fictitious assets, unrecorded loans or where complete information is not available. On grounds of prudence, these amounts had been provided for by erstwhile Satyam in the financial year ended March 31, 2009 and since there is no further information available with the Management even after the lapse of more than four years, the said amount has been completely written off in the books of account of the Company during the year ended March 31, 2014.

The forensic investigation was unable to identify the nature of certain alleged transactions aggregating ₹ 12,304 Million (net receipt) against which erstwhile Satyam had received legal notices from 37 companies claiming repayment of this amount which was allegedly given as temporary advances. Refer note 33.3 below.

33.3 Alleged Advances

Consequent to the letter of the erstwhile Chairman, on January 8, 2009, the erstwhile Satyam received letters from thirty seven companies requesting confirmation by way of acknowledgement for receipt of certain alleged amounts referred to as "alleged advances". These letters were followed by legal notices from these companies dated August 4/5, 2009, claiming repayment of ₹ 12,304 Million allegedly given as temporary advances. The legal notices also claim damages/ compensation @18% per annum from date of advance till date of repayment. The erstwhile Satyam has not acknowledged any liability to any of the thirty seven companies and has replied to the legal notices stating that the claims are legally untenable.

The 37 companies had filed petitions / suits for recovery against the erstwhile Satyam before the City Civil Court, Secunderabad ("Court"), with a prayer that these companies be declared as indigent persons for seeking exemption from payment of requisite court fees.

One petition where court fees have been paid and the pauper petition converted into a suit which is pending disposal and petitions filed by remaining 36 companies are before the Court, at various stages of rejection of pauperism / trial of pauperism / inquiry in condone delay applications.

The remaining petitions are at a preliminary stage before the Court, for considering condonation of delay in re-submission of pauper petitions. In one petition, the delay had been condoned by the Court and the Company has obtained an interim stay order from the Honourable High Court of Andhra Pradesh. The Hon'ble High Court after hearing the parties has remanded the matter to the lower directing to consider the application afresh.

The erstwhile Satyam had received legal notices from nearly all of the above companies, calling for payment of the amounts allegedly advanced by them (including interest and damages), failing which they would be constrained to file a petition for winding up the affairs of Satyam. In pursuance thereof, one of the aforesaid companies filed a winding up petition that was dismissed by the High Court. Against the said order of dismissal, the aforementioned company has filed an appeal before the Division Bench of High Court of Andhra Pradesh, which is pending hearing.

Furthermore, even in connection with the merger proceedings, the erstwhile Satyam had received letters from the aforesaid companies claiming themselves to be "creditors". They had pleaded inter-alia before the High Court (hearing the merger petition of the erstwhile Satyam with the Company) that the mandatory provisions governing the scheme under the Companies Act, 1956 have not been complied with in so far as convening a meeting of the creditors is concerned. They contended that without convening a meeting of the creditors and hearing their objections, the merger scheme could not be proceeded with.

The High Court based on the report of an independent firm of Chartered Accountants appointed by the Court and the contentions of the erstwhile Satyam, held inter-alia, in its order approving the merger of the erstwhile Satyam with the Company, that the contention of the 37 companies that Satyam is retaining the money of the "creditors" and not paying them does not appear to be valid and further held that any right of the objecting creditors can be considered only if the genuineness of the debt is proved beyond doubt which is not so in this case.

The High Court in its order, further held that in the absence of Board resolutions and documents evidencing acceptance of unsecured loans by the former management of the erstwhile Satyam, the new management of the erstwhile Satyam is justified in not crediting the amounts received in their names and not showing them as creditors and further reflecting such amounts as Amounts pending investigation suspense account (net).

The Directorate of Enforcement (ED) is investigating the matter under the Prevention of Money Laundering Act, 2002 ("PMLA") and directed the erstwhile Satyam to furnish details with regard to the alleged advances and has also directed it not to return the alleged advances until further instructions from the ED. In furtherance to the investigation by the ED, the erstwhile Satyam was served with a provisional attachment order dated October 18, 2012 issued by the Joint Director, Directorate of Enforcement, Hyderabad under Section 5(1) of the PMLA ("the Order"), provisionally attaching certain Fixed Deposit accounts of the Company then aggregating to ₹ 8,220 Million for a period of 150 days. As stated in the Order, the investigations of the ED revealed that ₹ 8,220 Million constitutes "proceeds of crime" as defined in the PMLA. The erstwhile Satyam had challenged the Order in the Honourable High Court of Andhra Pradesh ("the Writ"). The Honourable High Court of Andhra Pradesh ("the High Court") has, pending further orders, granted stay of the said Order and all proceedings pursuant thereto vide its interim order dated December 11, 2012. The ED had challenged the interim order before the Division Bench of the Honourable High Court of Andhra Pradesh. By an order dated December 31, 2014, the Hon'ble High court has dismissed the Appeal filed by ED and continued the Stay granted.

The criminal case has been commenced before the "Honourable XXI Additional Chief Metropolitan Magistrate, Hyderabad cum Special Sessions Court" by the Enforcement Directorate under the Prevention of Money Laundering Act, 2002 against erstwhile Satyam Computers Services Limited, since merged with the Company, along with 212 Accused persons. In the complaint, ED has alleged that the Company has been involved in the offence of money laundering by possessing the proceeds of crime and projecting them as untainted. The Company had challenged the above complaint before the Honourable High Court of Hyderabad and the the Hon'ble High court has quashed the criminal complaint against the Company vide its order dated December 22, 2014. On appeal, the Divisional Bench of the High Court, however passed an interim order allowing the hearing for framing 'Charges'. On Special Leave Petition before the Honourable Supreme Court of the India, the Hon'ble Supreme Court directed the Hon'ble High Court of Andhra Pradesh to dispose of the writ appeal within a period of 4 months and further directed the trial court to defer the trial till the Hon'ble High Court of Andhra Pradesh disposes of the writ appeal.

In view of the aforesaid developments and also based on legal opinion, the erstwhile Satyam's management's view, which is also the Company's Management's view, that the claim regarding the repayment of "alleged advances" (including interest thereon) of the 37 companies are not legally tenable has been reinforced.

However, notwithstanding the above, pending the final outcome of the recovery suit filed by the 37 companies in the City Civil Court and the ED matter under the PMLA pending before the High Court, the Company, as a matter of prudence, at this point of time, is continuing to classify the amounts of the alleged advances as "Amounts Pending Investigation Suspense Account (Net)", and the same would be accordingly dealt with / reclassified as and when appropriate.

33.4 Documents seized by CBI/other authorities

Pursuant to the investigations conducted by CBI / other authorities, most of the relevant documents in possession of erstwhile Satyam relating to period affected by the financial irregularities were seized by the CBI. On petitions filed by erstwhile Satyam, the ACMM granted partial access to it including for taking photo copies of the relevant documents as may be required in the presence of the CBI officials. Further, there were also certain documents which were seized by other authorities such as the Income Tax Authorities, of which erstwhile Satyam could only obtain photo copies.

33.5 Management's assessment of the identified financial irregularities

As per the assessment of the Management, based on the forensic investigation and the information available upto this stage, all identified / required adjustments / disclosures arising from the identified financial irregularities, had been made in the financial statements of erstwhile Satyam as at March 31, 2009.

Considerable time has elapsed after the initiation of investigation by various regulators / agencies and the erstwhile Satyam has not received any further information as a result of the various ongoing investigations against the erstwhile Satyam which requires adjustments to the financial statements.

Further, in the opinion of the Management, no new claims have been made when the Andhra Pradesh High Court considered and approved the merger, which need any further evaluation / adjustment / disclosure in the books, and all existing claims have been appropriately dealt with / recorded / disclosed in the books based on their current status.

Considering the above, notwithstanding the pendency of the various investigations / proceedings, the Management is of the view that the above investigations / proceedings would not result in any additional material provisions / write-offs / adjustments (other than those already provided for, written-off or disclosed) in the financial statements of the Company.

34. Aberdeen action (USA)

On November 13, 2009, a trustee of two trusts that are purported assignees of the claims of twenty investors who had invested in the erstwhile Satyam's ADS and common stock, filed a complaint against erstwhile Satyam, its former auditors and others (the "Action") alleging the losses suffered by the twenty investors (Claimants) is over USD 68 Million.

On July 27, 2012, the erstwhile Satyam entered into an Agreement of Settlement ("the Settlement") with Aberdeen Claims Administration, Inc., the trustee for the two trusts and twenty underlying investors.

The obligations incurred pursuant to the Settlement are in full and final disposition of the Action and the appropriate consent order of the Court in the Southern District of New York has been received on July 30, 2012. In terms of the Settlement, erstwhile Satyam has deposited in an Escrow Account an amount of USD 12 Million ("Settlement Amount") during the financial year ended March 31, 2013. Remittance out of the Escrow is subject to determination of appropriate withholding tax by the Authority for Advance Ruling (AAR).

35. Aberdeen (UK) complaint

In April 2012, erstwhile Satyam was served with an Amended Claim Form and Amended Particulars of claim dated December 22, 2011, initiating proceedings in the Commercial Court in London ("the English Court") by Aberdeen Asset Management PLC on behalf of 23 "Claimants" who are said to represent 30 funds who had invested in the Company's common stock that traded on the exchanges in India. On December 12, 2012, the Company entered into a confidential Settlement Agreement ("the Settlement") settling claims brought in the English Court by Aberdeen Global and twenty-two other funds (collectively, the "Claimants") managed by Aberdeen Asset Management PLC ("Aberdeen") and/or its subsidiaries (the "Claims"). The Claims included certain allegations of fraudulent misrepresentations said to have been made by the former management of erstwhile Satyam in London and relied upon by the Claimants' investment manager and/or communicated in meetings alleged to have taken place in London. The Claimants have claimed that they have suffered losses of an estimated sum of USD 298 Million and additional consequential losses. By virtue of the Settlement, the Claims have been fully and finally disposed off on the basis of, inter-alia, for a payment to be made by the Company of USD 68 Million ("Settlement Amount").

In terms of the Settlement, erstwhile Satyam has deposited a total amount of USD 68.16 Million towards the Settlement Amount and interest in an Escrow Account during financial year ended March 31, 2013.

Remittance out of the Escrow is subject to determination of appropriate withholding tax by the Authority for Advance Ruling (AAR).

36. Commitment and Contingencies

36.1 Capital Commitments

i. The estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for as at March 31, 2015 is ₹ 5,947 Million (March 31, 2014: ₹ 9,599 Million).

ii. In respect of land refer note 38 (c).

36.2 Purchase commitments

In respect of investments

i. On July 2, 2014, the Company entered in to a joint venture agreement with Midad Holdings in Saudi Arabia. As per agreement, the Company will hold 51% stake in that entity i.e. Tech Mahindra Arabia. The said entity is yet to be incorporated as at March 31, 2015.

ii. Sofgen Holdings Limited (refer note 27 (k)).

iii. Avion Networks Inc. (refer note 27 (n)).

iv. On April 25, 2015 the Company has entered into a tripartite Joint Venture Agreement to form a limited liability company ("LLC") with Qatar Engineering Trading & Contracting Company (QETCC) and KPC Aurion Holding WLL (Aurion). This LLC would be incorporated in the State of Qatar with a paid-up capital of QAR 0.36 Million out of which equivalent to USD 0.02 Million would be contributed by the Company. The Company would hold 20% Equity Ownership in the LLC. The said entity is yet to be incorporated and no investment has been made by the Company.

v. Tech Mahindra Servicos De Informatica LTDA (refer note 27 (m)).

vi. In July 2014, the Lightbridge Communications Corporation (LCC) acquired 49% of the share capital of SARL Djazatech, an Algerian corporation a company providing telecommunication services to customers in Algeria. The agreed consideration for the 49% share acquisition was USD 0.70 Million, which has been paid. Over and above the said consideration, an additional consideration contingent upon mutually agreed Gross Profit target achievements for periods ending on December 31, 2014, 2015, 2016 and June 30, 2017 is payable. The target on December 31, 2014 was not met and hence not provided for.

36.3 Other commitments

i. On April 2, 2013, the Company had taken over certain LAB equipments and 7 associates from one of its customers in Sweden vide its agreement dated March 21, 2013 for a purchase consideration of USD 6 Million (₹ 326 Million). As per the terms of agreement, the purchase consideration shall be discharged by the Company by providing services for next three years. As at March 31, 2015 the Company, against the said purchase consideration, has provided services amounting to USD 6 Million (₹ 326 Million) (March 31, 2014: USD 2.90 Million (₹ 157 Million)). As per the terms of agreement, we have provided full services amounting to USD 6 Million (₹ 326 Million).

ii. The company has outstanding commitments with respect to discharge of services to an international sports federation amounting to ₹ 27 Million as at March 31, 2015. (March 31, 2014: ₹ 380 Million).

37. Contingent Liabilities

37.1 (a) Bank Guarantees/comfort letters/corporate guarantee outstanding as at March 31, 2015 ₹ 10,313 Million (March 31, 2014: ₹ 10,322 Million).

(b) During the year ended March 31, 2015, the Company has given letter of support for USD 91 Million (₹ 5,687 Million) to banks for loans availed by Lightbridge Communications Corporation Ltd (100% subsidiary of the Company).

(c) Outstanding Bill discounting as at March 31, 2015 ₹ 2,697 Million (March 31, 2014: ₹ Nil).

37.2 Income Taxes

37.2.1 Income Taxes / Fringe Benefit Tax

The Company has received demand notices from Income Tax Authorities resulting in a contingent liability of ₹ 4,663 Million (March 31, 2014: ₹ 4,407 Million). This is mainly on account of the following:

i. An amount of ₹ 1,137 Million (March 31, 2014: ₹ 822 Million) relating to Transfer pricing adjustment on account of arm's length transactions. The Company has filed an appeal against the same. For the Assessment Year 2011-12, the Company has received draft assessment order, against which the Company has filed an appeal before Dispute Resolution Panel ("DRP").

ii. An amount of ₹ 742 Million (March 31, 2014: ₹ 818 Million) on account of adjustment of expenditure in foreign currency being excluded only from Export turnover and not from Total turnover. The Company has already won the appeal before the Commissioner of Income Tax (Appeals) "CIT (A)" for Assessment Year 2004-05, 2005-06, 2006-07, 2007-08. Income Tax Department is in appeal before the Income Tax Appellate Tribunal ("ITAT") against the Order of CIT (A) for above mentioned Assessment Years, except for Assessment Year 2006-07, for which the company is in Appeal before ITAT against the order of DRP.

iii. An amount of ₹ 2,769 Million (March 31, 2014: ₹ 2,751 Million) relating to Assessment Year 2007-08 for denial of deduction under section 10A of the Income Tax Act, 1961 on transfer pricing adjustment. The Company has won the appeal before CIT (A) and the Income Tax department has filed an appeal before ITAT.

iv. An amount of ₹ 16 Million (March 31, 2014: ₹ 16 Million) relating to Fringe Benefit Tax. The Company has won the appeal before ITAT. The Income Tax department may intend to appeal before High Court against the ITAT order.

37.2.2 Income tax matters related to erstwhile Satyam

i. Financial years 2002-03 to 2005-06

Consequent to the letter of the erstwhile Chairman of the erstwhile Satyam, the Assessing Officer rectified the assessments earlier completed for the financial years 2002-03 to 2005-06, by passing rectification orders under section 154 of the Income-tax Act, 1961 by withdrawing foreign tax credits and raising net tax demands aggregating ₹ 2,358 Million (including interest) against which refunds of financial years 2007-08 and 2009-10 aggregating ₹ 17 Million have been adjusted. During the financial year ended March 31, 2010, erstwhile Satyam had filed an appeal with the Commissioner of Income Tax (Appeals) (CIT (A)). In August, 2010 the CIT (A) dismissed the appeals. Subsequently, erstwhile Satyam had filed appeals before the Income Tax Appellate Tribunal (ITAT) for the aforesaid years which are pending disposal as on date. During the financial year 2010-11, the assessments (in the normal course of assessment) for the financial years 2004-05 and 2005-06 were further modified by issuing consequential orders re-computing the tax exemptions claimed by the erstwhile Satyam and enhancing the tax demands. The total contingent liability resulting for these years including consequential orders is ₹ 576 Million. Against the consequential orders, erstwhile Satyam has filed appeals before CIT (A) against the said enhancement of tax for the aforesaid years which are pending disposal as on date.

ii. Financial year 2007-08

Erstwhile Satyam has received a demand notice from Additional Commissioner of Income Tax by disallowing the foreign tax credits claimed in the return resulting in a contingent liability of ₹ 2,765 Million (including interest). The revised return filed by erstwhile Satyam was rejected by the Income Tax Department. Erstwhile Satyam has filed an appeal against the said order which is pending before the ITAT.

Erstwhile Satyam's contention with respect to the above tax demands is that the Income Tax Department should take a holistic view of the assessments and exclude the fictitious sales and fictitious interest income. If the said contention of erstwhile Satyam is accepted, there would be no tax demand payable.

iii. Petition before Honourable High Court of Judicature at Hyderabad: Financial years 2002-03 to 2007-08

Erstwhile Satyam had filed various petitions before Central Board of Direct Taxes (CBDT) requesting for stay of demands for the financial years 2002-03 to 2007-08 till the correct quantification of income and taxes payable is done for the respective years. In March 2011, the CBDT rejected erstwhile Satyam's petition and erstwhile Satyam filed a Special Leave Petition before the Honourable Supreme Court which directed erstwhile Satyam to file a comprehensive petition / representation before CBDT giving all requisite details / particulars in support of its case for re-quantification / re-assessment of income for the aforesaid years and to submit a Bank Guarantee (BG) for ₹ 6,170 Million. Pursuant to the direction by the Honourable Supreme Court, erstwhile Satyam submitted the aforesaid BG favouring the Assistant Commissioner of Income tax and also filed a comprehensive petition before the CBDT in April 2011.

The CBDT, vide its order dated July 11, 2011, disposed off the erstwhile Satyam's petition directing it to make its submissions before the Assessing Officer in course of the ongoing proceedings for the aforesaid years and directed the Income Tax Department not to en-cash the BG furnished by erstwhile Satyam till December 31, 2011. Aggrieved by CBDT's order, erstwhile Satyam filed a writ petition before the Honourable High Court of Judicature at Hyderabad on August 16, 2011.

The Honourable High Court of Judicature at Hyderabad, vide its order dated January 31, 2012, directed the parties to maintain status quo and directed the Income Tax Department not to en-cash the BG until further orders. The BG has been extended upto October 16, 2015.

In the meanwhile, the Assessing Officer served an order dated January 30, 2012, for provisional attachment of properties under section 281B of the Income Tax Act, 1961 attaching certain immovable assets of erstwhile Satyam on the grounds that there is every likelihood of a large demand to be raised against erstwhile Satyam for the financial years 2002-03 to 2008-09 along with interest liability. Aggrieved by such order, erstwhile Satyam filed a writ petition in the Honourable High Court of Judicature at Hyderabad that has granted a stay on the operation of the provisional attachment order until disposal of this writ.

iv. Appointment of Special Auditor and re-assessment proceedings

a) Financial year 1998-99

In November 2014, the company has received a notice from Income tax department for filing of petition in Honourable High Court of Judicature at Hyderabad against the ITAT order for financial year 1998-99. The Income tax department has raised demand of ₹ 13 Million on account of dispute in treatment of foreign taxes payment treated as self-assessment tax thereby levying Interest u/s. 234B & 234C.

b) Financial years 2001-02 and 2006-07

The Assessing Officer had commissioned a special audit which has been challenged by the erstwhile Satyam on its validity and terms vide writ petitions filed before the Honourable High Court of Judicature at Hyderabad. The said petitions are pending disposal.

In August, 2011, the Additional Commissioner of Income Tax issued the Draft of Proposed Assessment Orders accompanied with the Draft Notices of demand resulting in a contingent liability of ₹ 7,948

Million and ₹ 10,329 Million for the financial years 2001-02 and 2006-07, respectively, proposing variations to the total income, including variations on account of Transfer Pricing adjustments. Erstwhile Satyam has filed its objections to the Draft of Proposed Assessment Orders for the aforesaid years on September 16, 2011 with the Dispute Resolution Panel, Hyderabad, which is pending disposal.

c) Financial years 2002-03 and 2007-08

In December 2011, the Additional Commissioner of Income Tax appointed a Special Auditor under section 142(2A) of the Income Tax Act, 1961 to audit the accounts of erstwhile Satyam for the financial years 2002-03 and 2007-08. Erstwhile Satyam had filed a writ petition before Honourable High Court of Judicature at Hyderabad challenging the special audit.

The proceedings set out above are also subject to the Honourable High Court of Judicature at Hyderabad order dated January 31, 2012, referred to in note 37.2.2.iii directing the parties to maintain status quo.

d) Financial year 2003-04

In December 2014, the Company has received a notice from Income tax department for filing of petition in High Court of Judicature at Hyderabad against the ITAT order for financial year 2003-04. The Income tax department has raised demand of ₹ 173 Million on account of dispute in treatment of foreign taxes payment treated as self-assessment tax, not allowing setoff of losses of eligible STPI units and levying Interest u/s. 234B & 234C. In February 27, 2015 the Company has filed counter affidavit challenging IT department's petition filed with Honourable High Court, pending hearing.

e) Financial year 2008-09

In January 2013, the Additional Commissioner of Income Tax appointed a Special Auditor under section 142(2A) of the Income Tax Act, 1961 to audit the accounts of erstwhile Satyam for the financial year 2008-09. Erstwhile Satyam has challenged the appointment and terms of reference of the special audit by filing a writ petition before the Honourable High Court of Judicature at Hyderabad and the Court vide its interim order dated April 22, 2013, has directed parties to maintain status quo. The writ petition is pending hearing.

f) Financial year 2009-10

In March 2014, the Deputy Commissioner of Income Tax appointed a Special Auditor under section 142(2A) of the Income Tax Act, 1961 to audit the accounts of erstwhile Satyam for the financial year 2009-10. The audit was completed on September 17, 2014 with certain observations made by the Special Auditor. The Special Audit report was submitted to Income tax Assessing officer for assessment.

In January 2015, the Assessing officer has issued assessment order, making addition of ₹ 1,106 Million. The Company has filed appeal before CIT (A) against the said Order.

g) Financial year 2010-11

On March, 30 2015, the Assessing officer has issued draft assessment order, making addition of ₹ 379 Million. The Company intends to file an Appeal with CIT (A) against final Order.

v. Provision for taxation

Erstwhile Satyam was carrying a total amount of ₹ 4,989 Million (net of taxes paid) as at March 31, 2013 (before giving effect to its amalgamation with the Company) towards provision for taxation, including for the prior years for which the assessments are under dispute.

Subsequent to the amalgamation, duly considering the professional advice obtained in the matter, the Management has re-evaluated the effects of the possible outcomes of the tax matters in dispute relating to erstwhile Satyam and the estimated excess tax provision amounting to ₹ 2,266 Million determined based on such evaluation in respect of the prior years have been written back during the previous year ended March 31, 2014. In the opinion of the Management the balance provision for taxation carried in the books with respect to the prior year disputes relating to erstwhile Satyam is adequate.

37.2.3 Income tax matters related to erstwhile Mahindra Engineering Services Limited

Income Taxes

The Company has received demand notices from Income Tax Authorities resulting in a contingent liability of ₹ 364 Million. This is mainly relating to denial of deduction under section 10A of the Income Tax Act, 1961 on account of Splitting up or the Reconstruction of the business already in existence.

Italian Tax claim

Italian Tax Authorities has levied tax demand of EUR 0.10 Million (₹ 8 Million). The Provincial Tax Commission rejected the Company's plea against which erstwhile MESL has filed an appeal in the Regional Court of Emilia Romagna.

Notice from Chad Tax Administration

The Company has received a notice from Chad Tax Administration for payment of FCFA 40 Million (₹ 4 Million) in relation to fiscal year 2012. This amount relates to dispute towards withholding taxes. The company has issued Bank Guarantee in favour of Deputy General Manager of Tax Authorities for the same.

37.2.4 Income tax matters related to Tech Mahindra Business Services Limited (TMBSL)

i. Assessment year 2008-09

The assessing officer had passed a draft assessment order making adjustments of ₹ 427 Million mainly on account of transfer pricing adjustments and had raised a demand of ₹ 180 Million during the year ended March 31, 2012. TMBSL had filed an objection against the said order with the Dispute Resolution Panel (DRP). Accordingly, TMBSL had provided an amount of ₹ 54 Million in year ended March 31, 2012. DRP had passed an order on September 25, 2012 and ordered the TPO/AO to verify the computations made by the assesse and rectify the figures wherever necessary. In response to the order of DRP, AO had passed the final order on November 30, 2012 making additional adjustments of ₹ 210 Million mainly on account of transfer pricing adjustments and had raised a demand of ₹ 80 Million. TMBSL had filed an appeal against the order of AO to Income Tax Appellate Tribunal, Mumbai.

Against the said order of ₹ 80 Million, Honourable Income Tax Tribunal has granted stay till November 30, 2013 subject to condition that 50% of the demand has to be paid before October 9, 2013. TMBSL has paid ₹ 40 Million demand upto October 9, 2013. The additional commissioner of income tax has rejected the application for stay of demand granted earlier. TMBSL has filed the stay of demand request to commissioner of income tax till the appeal is decided by the Honourable Income Tax Appellate Tribunal. The Income Tax Appellate Tribunal hearing is scheduled on June 11, 2015.

ii. Assessment year 2009-10

The assessing officer had passed a draft assessment order making adjustments of ₹ 1,057 Million mainly on account of transfer pricing adjustments. TMBSL had filed an objection against the said draft assessment order with Dispute Resolution Panel (DRP). DRP had passed an order on December 19, 2013 and had ordered AO to complete the assessment order in accordance with DRP directions. In response to the order of DRP, AO had passed the final order on January 30, 2014 making additional adjustments of ₹ 394 Million mainly on account of transfer pricing adjustments and had raised a demand of ₹ 498 Million. TMBSL had filed an appeal against the order of AO to Income Tax Appellate Tribunal, Mumbai.

Against the order of AO demanding ₹ 498 Million, TMBSL got the stay order from Honourable Income Tax Appellate Tribunal till September 30, 2014 subject to condition that ₹ 90 Million of the total demand has to be paid before September 30, 2014. TMBSL has paid ₹ 83 Million till August 31, 2014. Subsequently the additional Commissioner of Income tax has rejected the application for stay of demand granted earlier and ordered to pay ₹ 100 Million against the outstanding demand. TMBSL has paid ₹ 100 Million on March 25, 2015. TMBSL has filed stay of demand request to commissioner of income tax till the appeal is decided by the Honourable Income Tax Appellate Tribunal. The Income Tax Appellate Tribunal hearing is scheduled on May 20, 2015.

iii. Assessment year 2010-11

The assessing officer had passed a draft assessment order making adjustments of ₹ 1,305 Million mainly on account of transfer pricing adjustments. TMBSL had filed an objection against the said draft assessment order with Dispute Resolution Panel (DRP) on March 25, 2014. DRP had passed an order on November 14, 2014 and had ordered AO to complete the assessment order in accordance with DRP directions. In response to the order of DRP, AO had passed the final order on December 30, 2014 making additional adjustments of ₹ 1,347 Million mainly on account of transfer pricing adjustments and had raised a demand of ₹ 383 Million. TMBSL has paid ₹ 100 Million till March 31, 2015 against the said order under protest. TMBSL has filed an appeal against the order of AO to Income Tax Appellate Tribunal, Mumbai.

iv. Assessment year 2011-12

The assessing officer had passed a draft assessment order making adjustments of ₹ 1,024 Million mainly on account of transfer pricing adjustments. TMBSL is in process of filing an objection against the said draft assessment order with Dispute Resolution Panel (DRP).

v. TMBSL charges its customers a margin of 15% on operating costs & these customers were associated enterprises until TMBSL's entire shareholding was bought by Tech Mahindra Limited on September 4, 2012. The Assessing Officer while passing draft order for AY 2008 09 in December 2011 determined arm's length margin of 32.33% & proposed consequent adjustments. TMBSL out of an abundant caution decided to make the tax provision in respect of potential transfer pricing disputes for Assessment Year 2008–09 to Assessment Year 2012-13 in the year ending March 31, 2012. The said provision had been made on the basis of an arm's length margin of 24%, which is at the higher end of the arm's length band agreed in the MAP (Mutual Agreement Procedure) cases, along with interest though TMBSL is confident of successfully defending transfer pricing methodology of cost plus 15%.

Post the purchase of the entire shareholding of TMBSL in September 2012 by Tech Mahindra Limited, the customers are not associated enterprises and the transfer pricing regulations are not applicable to TMBSL.

37.2.5 Income tax matters related to Satyam Ventures Engineers Services (SVES)

The tax assessments for AY 2002-03 to 2010-2011 were reopened and in appeal before appropriate authorities. The department has raised demand which related to deductibility of expenditure, transfer pricing matters and exemptions u/s 10A of the Income Tax Act, 1961. Out of the total demand, ₹ 126 Million (March 31, 2014: ₹ 187 Million) is not provided as the company is confident of favourable outcome in the ongoing proceedings.

37.2.6 Income tax matters related to Tech Mahindra BPO Limited (TMBPO)

Appointment of Special Auditor and reassessment proceedings

Special Audits commissioned by the Assessing Officer for the financial years 2002-03 to 2010-2011 were completed. Based on the said Special Audits, the Assessing Officer has completed the assessments/ reassessments. The assessment orders issued by the Assessing Officers resulted in reducing the carry forward business loss/unabsorbed depreciation of the company from ₹ 1,979 Million as per Returns to ₹ 1,005 Million as per Assessments, resulting in a difference of ₹ 974 Million between the assessed losses and returned losses. TMBPO has filed the appeals before Commissioner of Income Tax (Appeals) against the said Orders. The appeals are pending disposal.

During the year, TMBPO has received the Assessment order u/s 143(3) for the financial year 2011-12 where in the expenses disallowed to the extent of ₹ 30 Million. The company is in the process of filing the appeal against the disallowances.

Pending final disposal of the appeals filed, TMBPO has recognized tax liability as at March 31, 2015 considering the partial losses, as per returns filed for the respective financial years.

The final outcome of these appeals will have an impact on set off and carry forward of losses in subsequent years together with consequent taxes thereon.

37.2.7 Income tax matters relating to Comviva Technologies Limited (Comviva)

i. Comviva has received demand from Income Tax Authorities for Assessment year 2005-06 (from Assistant Commissioner of Income Tax) ₹ 3 Million (March 31, 2014 ₹ 3 Million) against which Comviva has paid ₹ 2 Million (March 31, 2014: ₹ 2 Million) under protest.

ii. Comviva has received demand from Income Tax Authorities for Assessment Year 2006-07 (from Assistant Commissioner of Income Tax): ₹ 2 Million (March 31, 2014: ₹ 2 Million).

iii. Comviva has received demand from Income Tax Authorities for Assessment Year 2007-08 u/s 154 (from Assistant Commissioner of Income tax): ₹ 3 Million (March 31, 2014: ₹ 3 Million) against which Comviva has paid ₹ 2 Million (March 31, 2014: ₹ 2 Million) under protest.

iv. Comviva has received demand from Income tax Authorities for the Assessment year 2007-08 for payment of additional tax u/s 143(3) from Deputy Commissioner of Income Tax for ₹ 58 Million (March 31, 2014: ₹ 58 Million). In an appeal with CIT(A), CIT(A) has issued favorable order to Comviva against which Income Tax authorities appealed before Income Tax Appellant Tribunal. ITAT upheld the order of CIT (A) except disallowance under section 14A. The demand relating to above ₹ 1 Million is pending for disposal with Assessing Officer.

v. Comviva has paid ₹ 13 Million (CDF 190 Million) against the tax demand along with filling of objection letter with the respective tax department against the said demand. The matter is pending for hearing and the management is confident of recovering the same.

37.3 Service Tax

The Company has received demand notices from Service Tax Authorities amounting to ₹ 14,688 Million (net of provision), (March 31, 2014: ₹ 883 Million (net of provision)) out of which:

i. ₹ 389 Million (March 31, 2014: ₹ 389 Million) relates to disallowance of input tax credits paid on services for the period March 2005 to March 2011 for erstwhile Satyam. An amount of ₹ 55 Million has been paid “under protest”. The Company has filed an appeal before the Honorable Customs, Excise & Service Tax Appellate Tribunal (CESTAT) and is pending hearing.

ii. Erstwhile CanvasM received demand in March 2014 from Service tax department amounting to ₹ 180 Million (March 31, 2014: ₹180 Million) under reverse charge on onsite services rendered by overseas subsidiaries for the financial year 2010-11. The Company has filed an appeal before the Honorable Customs, Excise & Service Tax Appellate Tribunal (CESTAT) and is pending hearing.

iii. ₹ 77 Million (March 31, 2014: ₹ 77 Million) relates to marketing and onsite services rendered by overseas subsidiaries for the financial years 2004-05 to 2007-08 for erstwhile Tech Mahindra (R & D Services) Limited (TMRDL). An amount of ₹ 7 Million (March 31, 2014: ₹ 7 Million) has been paid “under protest”. The Company has filed an appeal before the Honorable Customs, Excise & Service Tax Appellate Tribunal (CESTAT) and is pending hearing.

iv. ₹ 13 Million (March 31, 2014: ₹ 13 Million) pertains towards services provided under Management Consultancy services for the Company for which the Company has filed a reply against the same.

v. The Company received an order from Honorable High Court dated September 15, 2014, upholding the order passed by Honourable Customs, Excise & Service Tax Appellate Tribunal (CESTAT) issued in March 2013, wherein the services rendered onsite either by the Company's subsidiary/ branch have been held as not export from India for the period November 2008 to February 2010 and the company paid the said amount of ₹ 224 Million. Based on the legal opinion obtained, the company is of the view that the said amount is cenvatable and no provision is made in the books of account and the Company has filed an appeal before the Honorable Supreme Court.

vi. The Company has received an order from Commissioner of service tax confirming demand for interest and penalty amounting to ₹ 12 Million (March 31, 2014: Nil) on the short payment of service tax discharged under reverse charge as per the applicable rate of 10.30% and not as per revised rate of 12.36% for the period of February 2009. The Company has filed an appeal before the Honorable Customs, Excise & Service Tax Appellate Tribunal (CESTAT) and is pending hearing.

vii. The Company, during the year ended March 31, 2015, received a refund order issued by Deputy Commissioner of Service Tax after adjusting interest amounting to ₹ 146 Million (March 31, 2014: Nil) on the liability of ₹ 224 Million refunded by the department in earlier years giving effect to the order issued by Honorable High Court dated September 15, 2014. The Company has filed an appeal before the Commissioner (Appeals) against the said order.

viii. The company received an order from Commissioner of service tax confirming service tax demand, interest and penalty amounting to ₹ 12,753 Million (March 31, 2014: Nil) under reverse charge on onsite services rendered by overseas branches for the period May 2008 to July 2013. The Company has filed an appeal before the Honorable Customs, Excise & Service Tax Appellate Tribunal (CESTAT).

ix. The Company has received an order from Commissioner (Appeals) of service tax allowing service tax refund amounting to ₹ 894 Million (March 31, 2014: Nil) related to onsite services provided by subsidiary treated as export of services for the period July 2012 to June 2013. The Deputy Commissioner, Service tax has filed an appeal before the Honorable Customs, Excise & Service Tax Appellate Tribunal (CESTAT).

37.4 <u>Service tax matters for TMBSL</u>

TMBSL has received show cause cum demand notice from Commissioner of Service Tax for non-payment of service tax ₹ 32 Million for receiving import services (reverse charge basis) for the period 2007-08 to 2012-13. TMBSL has filed the reply to show cause notice on March 27, 2014.

37.5 <u>Service tax matters for TMBPO</u>

i. During the financial year 2012-2013, relating to 2006-2007 to 2010-2011 TMBPO received an order from the commissioner of Customs, Central Excise and Sales Tax demanding an amount of ₹ 89 Million (March 31, 2014 : ₹ 89 Million) excluding interest and penalty towards service tax dues. The said amount has not been provided for. Interest and penalty on the said dues, upto March 31, 2015 aggregated to ₹ 177 Million (March 31, 2014: ₹ 166 Million). TMBPO has gone in appeal before Customs and Central Excise and Service Tax Appellate Tribunal (CESTAT) for staying the operation and for setting aside the said order. TMBPO has been granted unconditional stay in this regard.

ii. During the financial year 2013-2014, relating to 2011-2012 TMBPO received an order from the Commissioner of Customs, Central Excise and Service Tax demanding an amount of ₹ 3 Million (March 31, 2014 : ₹ 3 Million) excluding interest and penalty. The said amount has not been provided for. Interest and penalties on the said dues upto March 31, 2015 aggregating to ₹ 4 Million (March 31, 2014: ₹ 4 Million). Against this order TMBPO has paid ₹ 1 Million and has gone in appeal before the Customs and Central Excise and Service Tax Appellate Tribunal (CESTAT) for staying the operation and for setting aside said order.

iii. During the current year, relating to 2012-2013 TMBPO received an order from the Commissioner of Customs, Central Excise and Service Tax demanding an amount of ₹ 2 Million (excluding interest and penalty). The said amount has not been provided for. TMBPO has paid ₹ 1 Million (along with interest) and for the balance ₹ 1 Million TMBPO has filed an appeal before the commissioner of Customs, Central Excise and Service Tax (Appeals).

37.6 <u>Service tax matters for Comviva</u>

The company has received a demand order (including penalty) from Commissioner of Service Tax for ₹ 407 Million (March 31, 2014 - ₹ Nil) pertaining to financial years 2004-05 to 2007-08. The Company is in the process of filing an appeal before the Honorable Customs, Excise & Service Tax Appellate Tribunal (CESTAT).

37.7 <u>Customs fine / penalty matters relating to erstwhile Mahindra Engineering Services Limited</u>

i. Erstwhile MESL received a demand from Customs for import of vehicles for an amount of ₹ 2 Million, which the company has paid the said amount "under protest" and filed an appeal before the Honourable Customs, Excise & Service Tax Appellate Tribunal (CESTAT) and pending hearing.

ii. Erstwhile Tech Mahindra (R & D Services) Limited (TMRDL) received demand (including fine and interest) from Commissioner of Customs amounting to ₹ 2 Million (March 31, 2014: ₹ 2 Million) related to misplace of imported capital goods bonded in the company premises during physical verification conducted by the customs authorities. The Company has filed an appeal before the Honorable Customs, Excise & Service Tax Appellate Tribunal (CESTAT).

37.8 Value Added Tax / Central Sales Tax

i. The Company received a demand notice under Maharashtra Value Added Tax Act, 2002 (MVAT) for financial year 2008-09 relating to mismatch of input Vat credit availed in VAT return amounting to ₹ 5 Million (including penalty and interest where applicable) (March 31, 2014: ₹ 5 Million).

ii. The Company has received a demand notice under Himachal Pradesh Value Added Tax Act, 2005 (HPVAT) for the period June 2013 to December 2014 considering the transaction as local sale and levying VAT liability amounting to ₹ 10 Million (including penalty and interest) (March 31, 2014: Nil) on the material delivered by the vendor to the customer located in state of Himachal Pradesh. The Company has filed an appeal with Additional Excise and Taxation Commissioner Cum –Appellate Authority.

iii. The Company has received a demand notice under Maharashtra Value Added Tax Act, 2002 (MVAT) for financial year 2008-09 to 2011-12 relating to Entry tax on purchase of Air conditioner and part thereof and Tiles amounting to ₹ 42 Million (including penalty and interest) (March 31, 2014: Nil) from outside the state of Maharashtra and import from outside India. The Company has filed an appeal with Deputy Commissioner (Appeal).

iv. Erstwhile C & S had received a demand notice aggregating to ₹ 12 Million (March 31, 2014: ₹ 12 Million) (including penalty and interest) under Gujarat Value Added Tax Act, 2003 for financial year 2006-07 to financial year 2008-09 relating to charging the type of VAT i.e. Sales Transaction / Local Value Added Tax against which the Company has paid an amount of ₹ 7 Million under protest.

v. Erstwhile CanvasM has received demand notice under Delhi Value Added Tax Act, 2004 relating to levy of Central Sales Tax on handset taken for testing purpose (which are returned back after testing), aggregating to ₹ 1 Million (March 31, 2014: ₹ 1 Million) against which the Company has paid ₹ 1 Million under protest.

vi. Erstwhile Satyam had received demand orders/claims relating to issues of applicability and classification aggregating ₹ 463 Million (March 31, 2014: ₹ 423 Million) (including penalty and interest, where applicable) against which the Company has paid an amount of ₹ 258 Million (including penalty and interest, where applicable) under protest.

The above excludes show cause notices relating to Tamil Nadu General sales tax Act, 1959 amounting to ₹ 4,555 Million (March 31, 2014 ₹ 4,555 Million) and Andhra Pradesh Value Added Tax Act, 2005 amounting to ₹ 2,717 Million (March 31, 2014 ₹ 3,824 Million) (including penalty).

37.9 Department of Telecommunication (DoT) matter related to Tech Mahindra Business Services Limited (TMBSL)

DoT has raised a demand on TMBSL for an amount of ₹ 61 Million in July 2014 claiming that TMBSL has availed services of bandwidth link between two of its premises from other than authorized service providers. TMBSL filed an appeal to the Telecom Disputes Settlement and Appellate Tribunal (TDSAT) against the said demand order. TMBSL has paid ₹ 21 Million against the said order under protest and accounted the same under Balances with Government Authorities under Long-Term Loans and Advances.

37.10 Foreign Exchange Management Act (FEMA), 1999

The Directorate of Enforcement has issued a show-cause notice to erstwhile Satyam for contravention of the provisions of the Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Realisation, Repatriation and Surrender of Foreign Exchange) Regulations, 2000, in respect of the realisation and repatriation of export proceeds to the extent of foreign exchange equivalent to ₹ 506 Million for invoices raised during the period July 1997 to December 31, 2002. The erstwhile Satyam has responded to the show-cause notice and the matter is pending.

37.11 Related to Tech Mahindra BPO Limited (TMBPO) Foreign Exchange Management Act , 1999

There are certain uncollected due / receivables in foreign currency which are outstanding for a long period of time for which the required permission for extension of time has not been obtained from the appropriate authorities. TMBPO is yet to file the requisite applications to competent authority for regularizing the same.

37.12 Other Claims on the Company not acknowledged as debt

i. Alleged Advances : refer note 33.3

ii. Claims against erstwhile Satyam not acknowledged as dues ₹ 1,000 Million and interest (March 31, 2014 : ₹ 1,000 Million).

iii. Claims made on the erstwhile Satyam by vendors, its employees and customers - ₹ 82 Million (March 31, 2014 : ₹ 68 Million).

iv. Claims made on TechM not acknowledged as debts : ₹ 107 Million (March 31, 2014: ₹ 107 Million).

v. Claim has been made on Comviva of ₹ 37 Million (equivalent USD 0.6 Million) (March 31, 2014: ₹ 36 Million equivalent USD 0.6 Million) by a leading telecom customer in Africa. Comviva has made provision for an amount of ₹ 28 Million (March 31, 2014 : ₹ 27 Million) based on its estimate of the liability and the balance amount is shown under contingent liabilities.

vi. Claim has been made on Comviva of ₹ 15 Million (KES 22 Million) by a leading telecom customer in Africa. Customer is still investigating the issue and going to appoint their forensic team for a detailed further investigation.

vii. Comviva has received demand from BSES, New Delhi amounting to ₹ 15 Million (March 31, 2014: ₹ 15 Million) and from BESCOM, Bangalore amounting to ₹ 7 Million (March 31, 2014 : ₹ 7 Million).

viii. Other claims: ₹ 6 Million (March 31, 2014 : ₹ 6 Million) against which the erstwhile Satyam has paid an amount of ₹ 3 Million under protest.

ix. Claims on erstwhile MESL for disputed stamp duty of ₹ 1 Million on sanction of credit facilities. The Appeal is pending before Honourable High Court of Karnataka.

x. Claims on erstwhile MESL under Motor vehicle Act, 1988 ₹ 1 Million.

xi. Dispute in relation to a subsidiary, refer note 39.

37.13 Management's assessment of contingencies/claims

The amounts disclosed under contingencies/claims represent the best possible estimates arrived at on the basis of the available information. Due to high degree of judgment required in determining the amount of potential loss related to the various claims and litigations mentioned above and the inherent uncertainty in predicting future settlements and judicial decisions, the Company cannot estimate a range of possible losses.

However, the Company is carrying a provision for contingencies as at March 31, 2015, which, in the opinion of the Management, is adequate to cover any probable losses in respect of the above litigations and claims. Refer note 57.

37.14 Other regulatory non-compliances/breaches (of the erstwhile Satyam under erstwhile Management [prior to Government nominated Board])

The management of erstwhile Satyam had identified certain non-compliances / breaches of various laws and regulations by erstwhile Satyam under the erstwhile management (prior to Government nominated Board) including but not limited to the following - payment of remuneration / commission to whole-time directors / non-executive directors in excess of the limits prescribed under the Act, unauthorised borrowings, excess contributions to Satyam Foundation, loan to ASOP Trust (Satyam Associates Trust) without prior Board approval under the Act, delay in deposit of dividend in the bank, dividend paid without profits, non-transfer of profits to general reserve relating to interim dividend declared, utilisation of the Securities Premium account, declaration of bonus shares and violation of SEBI ESOP Guidelines. In respect of some of these matters, erstwhile Satyam (under the Management post Government nominated Board) has applied to the Honourable Company Law Board for condonation. Any adjustments, if required, in the financial statements of the Company, would be made as and when the outcomes of the above matters are concluded.

In respect of foreign currency receivables for the period's upto March 31, 2009, the required permission under the provisions of FEMA for extension of time had not been obtained from the appropriate authorities. Erstwhile Satyam under the management post Government nominated Board has fully provided for these receivables.

38. Land

a) In respect of certain land admeasuring 19.72 acres purchased by erstwhile Satyam in Hyderabad, erstwhile Satyam entered into an agreement with the Government of Andhra Pradesh (GoAP) pursuant to which, it is eligible for incentives, concessions, privileges and amenities under the Information and Communications Technology (ICT) Policy of the GoAP. During the financial year ended March 31, 2009, erstwhile Satyam accounted for an eligible grant amounting to ₹ 96 Million towards the basic cost of the land on acquisition which was adjusted to the cost of the land. Erstwhile Satyam's entitlement to the aforesaid grant is subject to the fulfillment of certain conditions (secured by bank guarantees issued in favor of Andhra Pradesh Industrial Infrastructure Corporation), including employment of a minimum of eligible employees in facilities constructed over the said land, that have been substantially met and are under validation by the GoAP. The company has earlier provided bank guarantee of ₹ 23 Million which is expired and no new bank guarantee has been submitted by the Company. Further, the Company has filed an application dated March 26, 2014 to A.P. Industrial Infrastructure Corporation Limited requesting execution of sale deed. Sale deed was executed on December 04, 2014 and original documents are in process of being obtained from the TSIICL.

b) In respect of land admeasuring 50 acres purchased from Andhra Pradesh Industrial Infrastructure Corporation Limited in Vishakhapatnam for a total cost of ₹ 50 Million there are certain disputes which have arisen and the Government of Andhra Pradesh has ordered the District Collector to allot alternate land to erstwhile Satyam. The Government of Andhra Pradesh has signed MOU with the Company on September 29, 2014, to allot 10 acres of land to Company on a lease in lieu of land earlier allotted. The Company is in process of registering the lease deed and take possession of the said land. Pending the registration and possession, the amount of ₹ 50 Million is included in Capital Advances (under Long-term loans and advances) as at March 31, 2015 (March 31, 2014: ₹ 50 Million).

c) The erstwhile Satyam has entered into an agreement with the Maharashtra Airport Development Company Ltd (MADC) for the land taken on lease in Nagpur for which it has received extension to erect buildings and commence commercial activities by July 27, 2015.

39. Dispute with Venture Global Engineering LLC

Pursuant to a Joint Venture Agreement in 1999, the erstwhile Satyam and Venture Global Engineering LLC (VGE) incorporated Satyam Venture Engineering Services Private Limited (SVES) in India with an objective to provide engineering services to the automotive industry.

On or around March 20, 2003, numerous corporate affiliates of VGE filed for bankruptcy and consequently the erstwhile Satyam, exercised its option under the Shareholders Agreement (hereinafter referred to as "the SHA"), to purchase VGE's shares in SVES. The erstwhile Satyam's action, disputed by VGE, was upheld in arbitration by the London Court of International Arbitration vide its award in April 2006 ("the Award").

The Courts in Michigan, USA, confirmed and directed enforcement of the Award. They also rejected VGE's challenge to the Award. In 2008, the District Court of Michigan further held VGE in contempt for its failure to honour the Award and inter-alia directed VGE to dismiss the nominees of VGE on its Board and replace them with individuals nominated by the erstwhile Satyam. This Order was also confirmed by the Sixth Circuit Court of Appeals in 2009. Consequently, VGE the erstwhile Satyam's nominees were appointed on the Board of SVES and SVES confirmed the appointment at its Board meeting held on June 26, 2008. The erstwhile Satyam was legally advised that SVES became its subsidiary only with effect from that date.

In the meantime, while proceedings were pending in the USA, VGE filed a suit in April 2006, before the District Court of Secunderabad in India for setting aside the Award. The City Civil Court, vide its judgment in January 2012, has set aside the Award, against which the erstwhile Satyam preferred an appeal ("Company Appeal") before the High Court.

VGE also filed a suit before the City Civil Court, Secunderabad inter alia seeking a direction to the Company to pay sales commission that it was entitled to under the Shareholders Agreement. In the said suit, two ex-parte orders were issued directing the Company and Satyam to maintain status quo with regard to transfer of 50% shares of VGE and with regard to taking major decisions which are prejudicial to interest of VGE. The said suit filed by VGE is still pending before the Civil Court.

The Company has challenged the ex-parte orders of the City Civil Court Secunderabad, before the High Court ("SVES Appeal").

The High Court of Andhra Pradesh consolidated all the Company appeals and by a common order dated August 23, 2013 set aside the Order of the City Civil Court, Hyderabad setting aside the award and also the ex-parte orders of the City Civil Court, Secunderabad. The High Court as an interim measure ordered status quo with regard to transfer of shares, originally given by Supreme Court to be maintained for four weeks which was extended for a further period of three weeks. VGE has filed special leave petition against the said Order before Supreme Court of India, which is currently pending. The Supreme Court by an interim Order dated October 21, 2013 extended the High Court order on the status-quo on transfer of shares. The Company has also filed a Special Leave Petition before the Supreme Court of India challenging the judgment of the High Court only on the limited issue as to whether the Civil Court has jurisdiction to entertain VGE's challenge to the Award. The said Petition is pending before the Supreme Court.

In a related development, in December 2010, VGE and the sole shareholder of VGE (the "Trust", and together with VGE, the "Plaintiffs"), filed a complaint against the erstwhile Satyam in the United States District Court for the Eastern District of Michigan ("District Court") inter alia asserting claims under the Racketeer Influenced and Corrupt Organization Act, 1962 (RICO), fraudulent concealment and seeking monetary and exemplary damages ("the Complaint"). The District Court vide its order in March 2012 has dismissed the Plaintiffs Complaint. The District Court also rejected VGE's petition to amend the complaint. In June 2013, VGE's appeal against the order of the District Court has been allowed by the US Court of Appeals for the

Sixth Circuit. The matter is currently before the District Court and the Company has filed a petition before District Court seeking dismissal of the Plaintiff's Complaint. On March 31, 2015, the US District Court stayed the matter pending hearing and decision by the Indian Supreme Court in the Special Leave Petitions filed by Venture and the Company.

40. Satyam Venture Engineering Services Private Limited (SVES)

40.1 Accounting for sales commission

During the financial year 2011-12, the Board of SVES re-assessed the need to accrue sales commission in its books and based on such re-assessment took the view, when the financial statements of SVES for the year ended March 31, 2012 was tabled for approval, that the accrual of sales commission from FY 05-06 to FY 10-11 of ₹ 359 Million be written back as other income in the Statement of Profit and Loss and the sales commission for the period from April 2011- December 2011 be reversed.

However, as a prudent measure, the Board directed that SVES to provide an amount of ₹ 529 Million as a provision for contingency, covering the period from FY 05-06 to FY 11-12 which in its opinion would be adequate to cover any possible outflow that may arise in respect of the above aforesaid matter and adjustments to the financial statements if any, arising out of dispute between joint venture partners to be made on final disposal of legal proceedings.

Taking into accounts subsequent legal developments and an order of the Honourable High Court of Andhra Pradesh dated August 23, 2013 in the matter (refer note 39) directing all parties to maintain status quo, the Board of SVES did not make any provision for contingency in the current year towards sales commission but instead disclosed an amount of ₹ 529 Million (March 31, 2014: ₹ 318 Million) as contingent liability to cover any possible charge that may arise in respect of the above said matter, in the financial statements for the year ended March 31, 2015 and by way of abundant caution considering the issues before judicial authorities, notwithstanding the Board's view that there is no need to accrue sales commission.

40.2 Preparation of financial statements

At the Annual General Meetings of the SVES held on October 10, 2012, September 9, 2013 and September 9, 2014 one of the shareholders abstained from voting on the resolution for adoption of audited financial statements as at and for the year ended March 31, 2012, March 31, 2013 and March 31, 2014 respectively. In terms of Article 66 of the Articles of Association of SVES, the adoption of audited financial statements requires unanimous consent of both the shareholders of SVES. Therefore, the said financials have not been approved by the shareholders.

The financial statements as at and for the year ended March 31, 2015 have been drawn up incorporating the opening balances based on above said financial statements which have not been adopted by the Shareholders. Adjustments required, if any, will be made in accounts as and when determined.

41. Other matters: Foreign currency receivables

In respect of overdue foreign receivables of erstwhile Satyam, the Company is taking steps under the provisions of FEMA, for recovery and/or permissions for write-offs, as appropriate.

42. Share application money pending allotment

The amount received from employees on exercise of stock options is accounted as Share application money pending allotment. Upon allotment, the amount received corresponding to the shares allotted against the options exercised is transferred to Share capital and Securities premium account (if applicable) and taxes (if applicable) recovered from employees. An amount of ₹ 3 Million is outstanding as at March 31, 2015 (March 31, 2014: ₹ 15 Million) representing amounts received from employees of the Company on exercise of stock options towards face value, securities premium and perquisite tax recovered by the Company from the employees, pending allotment. Post March 31, 2015 equity shares have been issued against the said share application money.

43. Provision made against Investments of subsidiaries

a) In September 2008, the Company had made an investment of ₹ 85 Million which was equal to 17.28% of the equity share capital of Servista Limited, a leading European system integrator. With this investment, the Company became Servista's exclusive delivery arm for three years and would assist Servista in securing more large scale European IT off shoring business. Subsequently, the business plan of Servista was adversely affected by the economic downturn and it continued to incur losses and therefore, Servista in June 2009 decided to close down its operations. Hence, the Company made a provision of ₹ 85 Million in the year ended March 31, 2010 as diminution in the value of its investments in Servista. As of March 31, 2015, Servista is in process of winding up and in the view of the management; the Company would have no further unrecorded obligations towards settlement of any further liability.

b) Erstwhile Satyam had made an investment in Dion Global Solutions Limited amounting to ₹ 350 Million. The Company had made provision during the previous year ended March 31, 2014 amounting to ₹ 243 Million towards diminution in the value of the said investment as the decline in the value of investment is other than temporary.

44. Transfer to Statutory reserve

a) As required by the Bahrain Commercial Companies Law and the TMBL's Articles of Association, 10% of the profit for each period is required to be transferred to a statutory reserve. TMBL may resolve to discontinue such annual transfers when the reserve totals 50% of the issued share capital. Accordingly during the year ended March 31, 2010, TMBL has transferred fifty percent of share capital to statutory reserve. The reserve is not available for distribution, except in the circumstances stipulated in the Bahrain Commercial Companies Law.

b) In accordance with the U.A.E. Federal Law No (8) of 1984, as amended, and the Company's Articles of Association, Comviva Technologies FZ-LLC, one of the subsidiary of TechM has created a statutory reserve by transferring 10% of its net profit for each year, to the maximum cumulative balance of the said reserve equals 50% of the issued share capital. This reserve is not available for distribution except as stipulated by the Law.

c) In respect of one of the group company, vCustomer Philippines Inc., as required by the local law, the said company has transferred PHP 23 Million (previous year PHP 53 Million) from Surplus in Statement to Profit and Loss to Statutory Reserve. The appropriated retained earnings will be transferred back to unappropriated retained earnings upon closure / liquidation / of the said company.

45. Details of employee benefits as required by the Accounting Standard 15 (Revised) - Employee Benefits are as under:

a) Defined Contribution Plan

Amount recognized as an expense in the Statement of Profit and Loss for the year ending March 31, 2015 in respect of defined contribution plan is ₹ 2,627 Million (year ending March 31, 2014: ₹ 2,106 Million).

b) Defined Benefit Plan

The defined benefit plan comprises of gratuity. The gratuity plan is not funded except for Comviva and erstwhile Mahindra Engineering Services Limited, where it is managed by Life Insurance Corporation of India. The movement of present value of defined obligation is as follows:

₹ in Million

Particulars	As at			
	March 31, 2015		March 31, 2014	
	Non Funded	**Funded**	Non Funded	Funded
Changes in Fair Value of defined benefit obligation				
Projected benefit obligation, at the beginning of the year	**2,347**	94	1,299	72
Add: Additions on account of amalgamation (refer note 31 and 32)	**82**	**-**	1,203	0
Add : Addition on account of acquisition (refer note 27 (i) and (k))	**172**	**-**	-	-
Service cost	**429**	**31**	471	18
Interest cost	**209**	**8**	189	6
Actuarial (Gain) / Loss	**(233)**	**(23)**	(547)	4
Benefits paid	**(300)**	**(13)**	(268)	(6)
Projected benefit obligation, at the end of the year	**2,706**	**97**	2,347	94
Trust Fund Receivable (erstwhile TMRDL / MESL)* (refer note 32)	**(117)**	**-**	(40)	0
Projected benefit obligation, at the end of the year (net)	**2,589**	**97**	2,307	94

* The Trust fund was created to fund the gratuity liability of the erstwhile TMRDL and MESL. After amalgamation of TMRDL and MESL with TechM, the balance in Trust Fund can be utilized only for the payment of obligation arising for gratuity payable to employees of erstwhile TMRDL and MESL.

The composition of Funded Balance as at March 31, 2015 is as follows:

₹ in Million

Particulars	March 31, 2015	March 31, 2014
Insured Managed Funds (refer note 32)	**72**	-
Government of India Securities / Gilt Mutual Funds	**21**	6
State Government Securities / Gilt Mutual Funds	**-**	9
Public Sector Unit Bonds	**9**	9
Mutual Funds	**3**	-
Bank Balance	**12**	16
Total	**117**	40

The composition of funded plan of Comviva as at March 31, 2015 is as follows:

₹ in Million

Particulars	March 31, 2015	March 31, 2014
Opening fair value of plan assets	**18**	20
Fair value of plan assets on acquisition	**-**	-
Expected return on plan assets	**1**	2
Contributions by employer	**3**	1
Benefits paid	**(6)**	(6)
Actuarial Gain	**2**	1
Closing fair value of plan assets at end of the year	**18**	18

₹ in Million

Expense recognized in the Statement of Profit and Loss	For the Year Ended			
	March 31, 2015		March 31, 2014	
	Non Funded	**Funded**	Non Funded	Funded
Service cost	**429**	**31**	471	18
Interest cost	**209**	**8**	189	6
Expected return on plan Assets	**(10)**	**(3)**	(3)	(3)
Actuarial (Gain) / Loss	**(233)**	**(23)**	(547)	4
Total	**395**	**13**	110	25

Experience Adjustments (Non Funded)

₹ in Million

Particulars	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March, 31, 2011
1. Defined Benefit Obligation	**(2,706)**	(2,347)	(1,314)	(1,097)	(922)
2. Fair value of plan assets	**117**	40	38	35	34
3. Surplus / (Deficit)	**(2,589)**	(2,307)	(1,276)	(1,062)	(888)
4. Experience adjustment on plan liabilities [Gain / (Loss)]	**10**	246	155	23	75
5. Experience adjustment on plan assets [Gain / (Loss)]	**0**	(2)	-	(1)	(1)
6. Actuarial Gain / (Loss) due to change on assumptions	**223**	303	(20)	(25)	(2)

Experience Adjustment (Funded)

₹ in Million

Particulars	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March, 31, 2011
1. Defined Benefit Obligation	**(97)**	(94)	(72)	-	-
2. Fair value of plan assets	**18**	18	20	-	-
3. Surplus / (Deficit)	**(79)**	(76)	(52)	-	-
4. Experience adjustment on plan liabilities [Gain / (Loss)]	**23**	3	10	-	-
5. Experience adjustment on plan assets [Gain / (Loss)]	**2**	1	0	-	-
6. Actuarial Gain / (Loss) due to change on assumptions	**(2)**	0	-	-	-

Principal Actuarial Assumptions (Non Funded)	March 31, 2015	March 31, 2014
Discount Rate	**4.00% to 8.00%**	8.60 % to 9.25 %
Rate of increase in compensation levels of covered employees	**2.00% to 10.00%**	7.00 % to 8.50 %
Mortality rate	**Indian assured lives Mortality (2006-08) Modified Ult.**	Indian assured lives Mortality (2006-08) Modified Ult.

Principal Actuarial Assumptions (Funded)	March 31, 2015	March 31, 2014
Discount Rate	**7.80%**	8.60%
Rate of increase in compensation levels of covered employees	**8.00%**	8.50%
Expected rate of return on plan assets	**8.00%**	7.50%

- The discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated terms of the obligations.
- The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

46. Payment to Auditors (net of service tax):

₹ in Million

Particulars	March 31, 2015	March 31, 2014
Audit Fees (Including quarterly audits)	39	36
For other Services	21	13
For taxation matters	3	3
For Reimbursement of Expenses	0	0
Total	**63**	52

47. Leases

a) Group has taken premises on operating lease. The expense on such lease rentals recognized in the Statement of Profit and Loss for the year ended March 31, 2015 is ₹ 2,402 Million (March 31, 2014: ₹ 2,434 Million). The future lease payments of such operating lease are as follows:

₹ in Million

Particulars	Not later than 1 year	Later than 1 year not later than 5 years	Later than 5 years
Minimum Lease rentals payable(March 31, 2014: ₹ 853 Million, ₹1,374 Million and ₹397 Million respectively)	1,270	2,180	1,742

b) Group has taken computers, its related equipment's and vehicles. The expense on such lease rentals recognized in the Statement of Profit and Loss for the year ended March 31, 2015 is ₹ 199 Million (March 2014: ₹ 36 Million). The future lease payments of operating lease are as follows:

₹ in Million

Particulars	Not later than 1 year	Later than 1 year not later than 5 years	Later than 5 years
Minimum Lease rentals payable (March 31, 2014: ₹ 106 Million, ₹ 240 Million and ₹ 150 Million respectively)	337	486	-

c) Group has given premises on operating lease. The rental income recognized in the Statement of Profit and Loss for the year ended March 31, 2015 is ₹ 212 Million (March 31, 2014: ₹ 179 Million). The future lease rent receivable on such premises given on operating lease are as follows:

₹ in Million

Particulars	Not later than 1 year	Later than 1 year not later than 5 years	Later than 5 years
Minimum Lease rentals receivable (March 31, 2014: ₹ 123 Million, ₹ 191 Million and ₹ 42 Million respectively)	283	598	10,969

d) Group has taken vehicles on finance lease. The future lease rent payable on such vehicles taken on finance lease are as follows:

₹ in Million

Particulars	As at	
	March 31, 2015	March 31, 2014
Minimum lease payments		
- Less than one year	**184**	53
- One to five years	**122**	56
Total	**306**	109
Present value of minimum lease payments		
- Less than one year	**163**	42
- One to five years	**112**	50
Total	**275**	92

e) During the year, the Company, has given an owned building and related fixed assets on lease to Mahindra Education Institutions (MEI), a company incorporated under section 8 of Companies Act, 2013. The rental income is included under other income (Rent income). Accordingly, the Company has classified these fixed assets as investment property under non-current investments.

48. The Honourable Supreme Court vide its order dated February 2, 2012 cancelled 2G licenses issued to some of Telecom operators in India in 2008. As a result of the cancellation, the business of Company's two customers has become unviable and one of the customers has started winding up proceedings of the Indian operations. The Company had made provision of ₹ 679 Million in the year ended March 31, 2012 on account of likely impairment in the carrying value of the related assets.

49. As per the requirements of Accounting Standard 17 on 'Segment Reporting' (AS 17), the primary segment of the Group is business segment by category Information Technology (IT) Business and Business Processing Outsourcing (BPO), secondary segment is the geographical segment by location of its customers.

Earlier TechM provided IT & BSG services only to telecom vertical & hence, its IT business for telecom vertical was monitored by sub segments like Telecom Service Provider (TSP), Telecom Equipment Manufacturer(TEM) & in Segmental Reporting all these were reported as Primary Segments.

Erstwhile Satyam on the other hand provided IT & BSG services all industry verticals & the performance was monitored by two businesses namely segments IT & BPO & in segmental reporting IT & BPO were two primary segments.

Post-merger, the Group has diversified industry segments and the management would monitor business as IT & BPO & these would be used as primary segments.

The accounting principles consistently used in the preparation of the financial statements are also applied to record income and expenditure in the individual segments. There are no inter-segment transactions during the year ended March 31, 2015.

- **Segment Information**

A. Primary Segment

₹ **in Million**

Particulars	**For the year ended**					
	March 31, 2015			March 31, 2014		
	IT Services	**BPO**	**Total**	IT Services	BPO	Total
Revenue	**207,622**	**18,591**	**226,213**	170,139	18,175	188,314
Direct Expenses	**155,477**	**12,277**	**167,754**	107,176	10,072	117,248
Segmental Operating Income	**52,145**	**6,314**	**58,459**	62,963	8,103	71,066
Less : Unallocable Expenses						
Finance Charges			**299**			799
Depreciation and amortisation expense			**6,114**			5,222
Other Unallocable Expenses			**16,930**			29,228
Total Unallocable Expenses			**23,343**			35,249
Operating Income			**35,116**			35,817
Other Income			**1,065**			1,130
Profit before Exceptional Items, Tax and Minority Interest			**36,181**			36,947
Exceptional Item – Income (refer note 59)			**-**			1,200
Profit Before tax and minority interest			**36,181**			38,147
Provision for Taxation						
a) Current tax (including MAT charge / (credit))			**9,590**			10,139
b) Deferred tax			**5**			(350)
c) Excess provision written back			**-**			(2,266)
Profit after tax and before Minority Interest			**26,586**			30,624
Share in Profit / (Loss) of Associate			**1**			-
Minority Interest			**(310)**			(336)
Profit after tax			**26,277**			30,288

B. Secondary Segment

Revenue details as per geography

₹ **in Million**

Geography	**For the year ended**	
	March 31, 2015	March 31, 2014
Americas	**107,326**	86,327
Europe region	**69,619**	58,345
Rest of world	**49,268**	43,642
Total	**226,213**	188,314

Segregation of assets, liabilities, depreciation and other non-cash expenses into various primary segments has not been done as the assets are used interchangeably between segments and TechM is of the view that it is not practical to reasonably allocate liabilities and other non-cash expenses to individual segments and an ad-hoc allocation will not be meaningful.

50. Employee Stock Option Scheme

a) ESOP 2000

The Company has instituted "Employee Stock Option Plan 2000" (ESOP) for eligible employees and Directors of the Company and its subsidiaries. In terms of the said plan, the company has granted options to the eligible employees which vest at the rate of 33.33% on each successive anniversary of the grant date. The options can be exercised over a period of 5 years from the date of grant. Each option carries with it the right to purchase one equity share of the Company at the exercise price determined by the Company at the time of grant. The details of the options are as under:

Particulars	**March 31, 2015**	March 31,2014
Options outstanding at the beginning of the year	**484,830**	392,830
Options granted during the year	**-**	200,000
Options lapsed during the year	**-**	-
Options cancelled during the year	**1,160**	7,810
Options exercised during the year	**101,520**	100,190
Options outstanding at the end of the year	**382,150**	484,830
Adjusted (Split and Bonus) options granted and outstanding at the end of the year (Refer note 3(ii))	**1,528,600**	-

Out of the options outstanding as at March 31, 2015, there are 995,264 (March 31, 2014: 160,550) (Net of exercised & lapsed) vested options, which have not been exercised.

b) ESOP 2004

The Company has instituted "Employee Stock Option Plan 2004" (ESOP 2004) for eligible employees and Directors of the Company. In terms of the said plan, the Nomination and Remuneration Committee has granted options to employees of the Company. The options are divided into upfront options and performance options. The upfront options are divided into three sets which will entitle holders to subscribe to option shares at the end of first year, second year and third year. The vesting of the performance options will be decided by the Nomination and Remuneration Committee based on the performance of employees. The details of the options are as under:

Particulars	**March 31, 2015**	March 31,2014
Options outstanding at the beginning of the year	**1,474,493**	2,235,134
Options granted during the year	**-**	-
Options lapsed during the year	**-**	-
Options cancelled during the year	**-**	-
Options exercised during the year	**1,474,493**	760,641
Options outstanding at the end of the year	**-**	1,474,493

Out of the options outstanding as at March 31, 2015, there are Nil (March 31, 2014: 1,474,493) (Net of exercised & lapsed) vested options, which have not been exercised.

c) ESOP 2006

The Company has instituted "Employee Stock Option Plan 2006 "(ESOP 2006) for eligible employees and Directors of the Company and its subsidiaries. In terms of the said plan, the Nomination and Remuneration Committee has granted options to the employees of the Company. The vesting of the options is 10%, 15%, 20%, 25%, and 30 % of total options granted after 12, 24, 36, 48 and 60 months, respectively from the date of grant. The maximum exercise period is 7 years from the date of grant. The details of the options are as under:

Particulars	March 31, 2015	March 31,2014
Options outstanding at the beginning of the year	**890,780**	1,291,825
Options granted during the year	**-**	168,000
Options lapsed during the year	**-**	40,240
Options cancelled during the year	**64,150**	70,575
Options exercised during the year	**158,940**	458,230
Options outstanding at the end of the year	**667,690**	890,780
Adjusted (Split and Bonus) options granted and outstanding at the end of the year (Refer note 3(ii))	**2,670,760**	-

Out of the options outstanding as at March 31, 2015, there are 827,660 (March 31, 2014: 209,255) (net of exercised & lapsed) vested options, which have not been exercised.

d) ESOP 2010

The Company has instituted "Employee Stock Option Plan 2010 "(ESOP 2010) for eligible employees and Directors of the Company and its subsidiaries. In terms of the said Plan, options to the employees and Directors in form of Options shall vest at the rate of 33.33% on each successive anniversary of the grant date. The options can be exercised over a period of 5 years from the date of grant. Each Option carries with it the right to purchase one equity share of the Company at the exercise price determined by Nomination and Remuneration Committee. The details of the options are as under:

Particulars	March 31, 2015	March 31,2014
Options outstanding at the beginning of the year	**1,981,083**	2,166,874
Options granted during the year	**-**	3,350
Options lapsed during year	**-**	-
Options cancelled during year	**11,002**	40,002
Options exercised during year	**157,902**	149,139
Options outstanding at the end of the year	**1,812,179**	1,981,083
Adjusted (Split and Bonus) options granted and outstanding at the end of the year (Refer note 3(ii))	**7,248,714**	-

Out of the options outstanding as at March 31, 2015, there are 7,239,794 (March 31, 2014: 1,777,364) (net of exercised & lapsed) vested options, which have not been exercised.

e) TML ESOP – B 2013

Erstwhile Satyam has established a scheme 'Associate Stock Option Plan – B' (ASOP - B) under which 28,925,610 options were available for grant/exercise at the time the Scheme of Amalgamation became effective. Post-merger, these options were adjusted in terms of the approved Scheme of Amalgamation and obtained Listing approval for 3,403,013 options and each option entitles the holder one equity share of the company. These options vest over a period of 1-4 years from the date of the grant. Upon vesting, employees have 5 years to exercise the options. Post-merger, the name of the ESOP scheme has been changed to 'TML ESOP B 2013'. The details of the options are as under:

Particulars	March 31, 2015	March 31,2014
Options outstanding at the beginning of the year	**2,951,823**	1,731,333
Options granted during the year	**76,000**	1,921,889
Options lapsed during the year	**5**	150,023
Options cancelled during the year	**86,805**	185,957
Options exercised during the year	**414,605**	365,419
Options outstanding at the end of the year	**2,526,408**	2,951,823
Adjusted (Split and Bonus) options granted and outstanding at the end of the year (Refer note 3(ii))	**10,105,632**	-

Out of the options outstanding as at March 31, 2015, there are 4,626,468 (March 31, 2014: 851,296) (Net of exercised & lapsed) vested options, which have not been exercised.

f) TML- RSU

The erstwhile Satyam has established a scheme 'Associate Stock Option Plan - Restricted Stock Units (ASOP – RSUs)' to be administered by the Administrator of the ASOP – RSUs, a committee appointed by the Board of Directors of the erstwhile Satyam in May 2000. Under the scheme, 1,529,412 equity shares (equivalent number of equity shares post-merger) are reserved to be issued to eligible associates at a price to be determined by the Administrator which shall not be less than the face value of the share. These RSUs vest over a period of 1-4 years from the date of the grant. The maximum time available to exercise the warrants upon vesting is five years from the date of each vesting. Post-merger, the scheme has been adopted and approved by the shareholders of the Company and the name of the ESOP scheme has been changed to TML RSU. The Company has reissued respective options in the agreed ratio as per the merger scheme. The details of the options are as under:

Particulars	**March 31, 2015**	March 31,2014
Options outstanding at the beginning of the year	**866,256**	717,615
Options granted during the year	**56,000**	248,912
Options lapsed during the year	**1,125**	1,524
Options cancelled during the year	**70,080**	42,914
Options exercised during the year	**157,872**	55,833
Options outstanding at the end of the year	**693,179**	866,256
Adjusted (Split and Bonus) options granted and outstanding at the end of the year (Refer note 3(ii))	**2,772,714**	-

Out of the options outstanding as at March 31, 2015, there are 770,446 (March 31, 2014: 128,214) (Net of exercised & lapsed) vested options, which have not been exercised.

g) ESOP – A

Erstwhile Satyam had established an ESOP scheme viz., 'Associate Stock Option Plan – A' (ASOP - A) formulated prior to the SEBI Guidelines on ESOP and ESPS issued in 1999. This plan was administered through an employee's trust viz., Satyam Associates Trust (Satyam Trust). At the time the Scheme of Amalgamation and Arrangement became effective, the Satyam Trust was holding 2,055,320 shares of erstwhile Satyam, which post amalgamation were converted into 241,802 shares of the company at the approved share exchange ratio and this scheme has been transitioned and renamed as ESOP-A. Satyam Trust grants warrants to the employees of the company with an exercise price and terms of vesting advised by the Nomination and Remuneration Committee of the Company. Each warrant shall entitle the warrant holder one equity share. The exercise period is 30 days from the date of each vesting. The details of the options are as under:

Particulars	**March 31, 2015**	March 31,2014
Options outstanding at the beginning of the year	**240,302**	-
Options granted during the year	**-**	242,802
Options lapsed during the year	**4,718**	-
Options cancelled during the year	**21,409**	2,500
Options exercised during the year	**48,596**	-
Options outstanding at the end of the year	**165,579**	240,302
Adjusted (Split and Bonus) options granted and outstanding at the end of the year (Refer note 3(ii))	**662,316**	-

Out of the options outstanding as at March 31, 2015, there are 11,392 (March 31, 2014: Nil) (Net of exercised & lapsed) vested options, which have not been exercised.

h) ESOP 2014

The Company has instituted "Employee Stock Option Plan 2014 "(ESOP 2014) for eligible employees of the Company and its subsidiaries. In terms of the said plan, the Nomination and Remuneration Committee grants options to the employees of the Company. The vesting of the options is 15%, 20%, 30%, and 35% of total options granted after 12, 24, 36, and 48 months respectively from the date of grant. The options can be exercised over a period of 5 years from the date of vesting. Each Option carries with it the right to purchase one equity share of the Company at the exercise price determined by Nomination and Remuneration Committee. The details of the options are as under:

Particulars	March 31, 2015
Options outstanding at the beginning of the year	-
Options granted during the year	1,454,900
Options lapsed during the year	-
Options cancelled during the year	73,700
Options exercised during the year	-
Options outstanding at the end of the year	1,381,200
Adjusted (Split and Bonus) options granted and outstanding at the end of the year (Refer note 3(ii))	5,524,800

Out of the options outstanding as at March 31, 2015, there are Nil (March 31, 2014: Nil) (Net of exercised & lapsed) vested options, which have not been exercised.

i) Employee Stock Option Scheme- ESOS, ESOS 3 and ESOS 4

Erstwhile MESL has established Employee Stock Option Scheme (ESOS)-ESOS, ESOS 3 and ESOS 4 for which 1,400,000, 928,332 and 155,666 equity shares respectively were earmarked. Post merger, as there were no outstanding options under the ESOS 3 and ESOS 4 and hence, these 2 are closed. ESOS Scheme is administered through a Trust viz., MES Employees Stock Option Trust. The options under this Scheme vest over a period of 1 to 3 years from the date of the grant. Upon vesting, employees have 7 years to exercise the options. As on the effective date of amalgamation, only 18,084 options were unvested under ESOS which are being converted into equivalent options (30,144) of the company in the approved share exchange ratio.

Particulars	Year ended 31st March 2015		
	ESOS	ESOS-3	ESOS-4
Options outstanding at the beginning of the year	802,556	928,332	155,666
Options granted during April 1, 2014 to December 17, 2014	-	-	-
Options lapsed during April 1, 2014 to December 17, 2014	8	-	-
Options cancelled during April 1, 2014 to December 17, 2014	1,444	-	-
Options exercised during April 1, 2014 to December 17, 2014 #	783,020	928,332	155,666
Options outstanding as at December 17, 2014#	18,084	-	-
Converted options in the approved share exchange ratio of 12:5*	7,536	-	-
Options granted during December 18, 2014 to March 31, 2015	-	-	-
Options lapsed during December 18, 2014 to March 31, 2015	-	-	-
Options cancelled during December 18, 2014 to March 31, 2015	-	-	-
Options exercised during December 18, 2014 to March 31, 2015	-	-	-
Options outstanding at the end of the year	7,536	-	-
Adjusted (Split and Bonus) options granted and outstanding (Refer note 3(ii))	30,144	-	-

December 17, 2014 being the book closure date for issue of equity shares on merger. Refer note 32

* Represents the adjusted outstanding options of erstwhile MESL in the approved share exchange ratio. Refer note 32

Out of the options outstanding at the end of the period, 30,144 (net of exercised & lapsed) options have vested which have not been exercised.

j) The employee stock compensation cost for the Employee Stock Option Plan 2010, Employee Stock Option Plan 2000, Employee Stock Option Plan- B 2013, ESOP-A and TML-RSU schemes issued at par has been computed under the intrinsic value method and amortized over each vesting period. For the year ended March 31, 2015 the company has accounted for employee stock compensation cost amounting to ₹ 2,268 Million (March 31, 2014: ₹ 1,312 Million).

k) The Company uses the intrinsic value-based method of accounting for stock options granted after April 1, 2005. Had the compensation cost for the Company's stock based compensation plan been determined in the manner consistent with the fair value approach based on Black and Scholes model, the group's net profit would be lower by ₹ 398 Million (March 31, 2014: profit lower by ₹ 254 Million) and earnings per share as reported would be as indicated below:

₹ in Million except earnings per share

Particulars	**For the Year ended**	
	March 31, 2015	March 31, 2014
a) Net profit after tax and before exceptional items (As reported)	**26,277**	29,088
b) Add: Exceptional Item – Income (refer note 59)	**-**	1,200
c) Net Profit (before exceptional item) (a + b)	**26,277**	30,288
d) Total stock-based employee compensation expense determined under fair value base method	**(398)**	(254)
Adjusted net profit (before exceptional item) (c – d)	**25,879**	28,834
Adjusted net profit (after exceptional item) (a – d)	**25,879**	30,034
Basic earnings per share (in ₹) (before exceptional item)		
As reported	**27.46**	31.27
Adjusted	**27.04**	31.00
Diluted earnings per share (in ₹)		
As reported	**26.74**	30.44
Adjusted	**26.33**	30.17
Basic earnings per share (in ₹) (After exceptional item)		
As reported	**27.46**	32.56
Adjusted	**27.04**	32.29
Diluted earnings per share (in ₹)		
As reported	**26.74**	31.70
Adjusted	**26.33**	31.43

The fair value of each option is estimated on the date of grant based on the following assumptions (on weighted average basis):

Particulars	**For the Year ended**	
	March 31, 2015	March 31, 2014
Dividend yield (%)	**0.72**	0.55
Expected life	**5.30 Years**	4.33 Years
Risk free interest rate (%)	**8.58**	8.46
Volatility (%)	**37.43**	36.91

51. As required under Accounting Standard 18 "Related Party Disclosures" (AS – 18), following are details of transactions during the year ended March 31, 2015 and outstanding balances as of that date with the related parties of the Group as defined in AS – 18.

a) List of Related Parties and Relationships

Name of Related Party	Relation
Mahindra & Mahindra Limited	Promoter / Enterprise having significant influence.
Mahindra-BT Investment Company (Mauritius) Limited	Promoter Group Company / Enterprise having significant influence.
Mahindra Holding Limited	Promoter Group Company / Enterprise having significant influence.
Avion Networks, Inc.	Associate (refer note 27 (n))
SARL Djazatech	Associate (refer note 27 (i))
Tech Mahindra Foundation	Section 8 company (refer note 29)
TML Benefit Trust	Refer note 29
Mahindra Satyam Foundation	Enterprise where the Company is in a position to exercise control
Satyam Associates Trust	Enterprise where the Company is in a position to exercise control
Mahindra Educational Institutions	Enterprise where the Company is in a position to exercise control
TML Odd Lot Trust	Trust to hold the fractional shares
Mahindra Engineering Services ESOP Trust	Trust to administer ESOP scheme (setup by erstwhile Mahindra Engineering Services Limited)
Vineet Nayyar - Executive Vice Chairman C.P. Gurnani - Managing Director Milind Kulkarni # - Chief Financial Officer G Jayaraman # - Company Secretary	Key Management Personnel
Gokul Jayaraman #	Relative of Key Management Person

Designated Key Management Personnel w.e.f. April 1, 2014.

b) Related Party Transactions for the year ended March 31, 2015

₹ in Million

Nature of Transactions	Name of the party	For the year ended	
		March 31, 2015	March 31, 2014
Income from Services	Mahindra & Mahindra Limited	**1,268**	153
Sub-contracting cost	Mahindra & Mahindra Limited	**19**	-
Reimbursement of Expenses (Net)-Paid / (Receipt)	Mahindra & Mahindra Limited	**(54)**	(1)
	Mahindra Educational Institutions	**(6)**	(11)
Rent Expense	Mahindra & Mahindra Limited	**1**	-
Rent Income	Mahindra & Mahindra Limited	**0**	-
	Mahindra Educational Institutions	**65**	-
Other Income	TML benefit Trust	**480**	120
	Mahindra & Mahindra Limited	**-**	0
Professional Services	Mahindra & Mahindra Limited	**-**	17
Purchase of Fixed Assets	Mahindra & Mahindra Limited	**67**	20

₹ in Million

Nature of Transactions	Name of the party	For the year ended	
		March 31, 2015	March 31, 2014
Dividend Paid	Mahindra & Mahindra Limited	**1,214**	303
	TML Benefit Trust	**480**	120
	Vineet Nayyar	**14**	3
	C P Gurnani	**13**	2
	Mahindra-BT Investment Company (Mauritius) Limited	**1**	0
	Milind Kulkarni	**0**	-
	G. Jayaraman	**0**	-
Trade Advances given	Mahindra & Mahindra Limited	**-**	6
	Mahindra Educational Institutions	**0**	-
	SARL Djazatech	**31**	-
Corporate Social Responsibility Expenditure (donations)	Tech Mahindra Foundation	**304**	324
	Mahindra Educational Institutions	**274**	20
Salary, Perquisites & Commission	Vineet Nayyar	**35**	37
	C. P. Gurnani	**23**	26
	Milind Kulkarni	**6**	-
	G Jayaraman	**5**	-
Salary, Perquisites & Commission relative to KMP	Gokul Jayaraman	**1**	-
Stock Options	Key Management Personnel	**#**	#
Investment Made	Mahindra Educational Institutions	**-**	0

₹ in Million

Balance as on	Name of the party	As at	
		March 31, 2015	March 31, 2014
Trade Payables	Mahindra & Mahindra Limited	**85**	24
Trade Receivables Current	Mahindra & Mahindra Limited	**377**	69
Trade Receivable Non-Current	Mahindra & Mahindra Limited	**-**	7
Contractual Obligation receivable	Mahindra & Mahindra Limited	**0**	3
Unbilled Revenue Receivable	Mahindra & Mahindra Limited	**5**	3
Unearned revenue	Mahindra & Mahindra Limited	**7**	-
Long Term Loans	Satyam Associates Trust *	**18**	28
Short Term Advance	Mahindra Educational Institutions	**16**	11
	SARL Djazatech	**68**	-
Long Term Advance	Mahindra Educational Institutions	**-**	0
Payable to Key management personnel (under Trade Payables)	Vineet Nayyar	**11**	11
	C. P. Gurnani	**8**	7
	Milind Kulkarni	**2**	-
	G Jayaraman	**1**	-
	Gokul Jayaraman	**0**	-
Donations Payable	Tech Mahindra Foundation	**-**	3

* Erstwhile Satyam had given an interest free loan to Satyam Associates Trust amounting to ₹ 50 Million in the earlier years (Balance outstanding as at March 31, 2015 – ₹ 18 Million). The loan was provided by erstwhile Satyam in the prior years as a funding to the Trust for repayment of loans obtained by the Trust from external parties. As per the terms of understanding with the Trust, the loan is repayable by the Trust to the Company on receipt of the exercise price from the employees who have been allotted options under the erstwhile ASOP-A scheme.

@ The company has been liquidated / dissolved as per the laws of the respective country. However, the Company is awaiting approval from the Reserve Bank of India for writing off these amounts from the books of the Company. Such outstanding amount has been fully provided for, net of payables.

Stock options: Key Management Personnel

Particulars	Vineet Nayyar Executive Vice Chairman	C. P. Gurnani Managing Director	Milind Kulkarni Chief Financial Officer	G Jayaraman Company Secretary
Options exercised during the year ended March 31, 2015	692,567 [500,000]	781,926 [260,641]	6,667 [6,667]	7,135 [2,353]
Options granted during the year ended March 31, 2015	Nil [900,000]	Nil [900,000]	Nil [-]	Nil [-]
Options granted and outstanding at the end of the year ended March 31, 2015	6,800,000 # [2,392,567]	6,800,000 # [2,481,926]	Nil [6,667]	14,708 # [10,812]

Figures in brackets "[ ]"are for the year ended March 31, 2014.

These outstanding options are post shares bonus issue and split (Refer note 3(ii)).

52. The tax effect of significant timing differences that has resulted in deferred tax assets as at March 31, 2015 are given below

₹ in Million

Particulars	March 31, 2015
Employee benefits	**1,160**
Doubtful Debts	**1,037**
Depreciation	**1,333**
Others	**371**
Total	**3,901**

53. Exchange gain/(loss)(net) accounted during the year

a) The Group enters into foreign Exchange Forward Contracts and Currency Option Contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than the Indian rupee. The counter party to the Group's foreign currency Forward Contracts and Currency Option Contracts is generally a bank. These contracts are entered into to hedge the foreign currency risks of certain forecasted transactions. Forward Exchange Contracts and Currency Option Contracts in UK Pound exposure are split into two legs, which are GBP to USD and USD to INR. These contracts are for a period between 1 day and 2 years.

b) The following are the various outstanding GBP: USD Currency Exchange Forward Contracts entered into by the Company which have been designated as Cash Flow Hedges:

Type of cover	Amount outstanding in Foreign currency (in Million)	Fair Value Gain / (Loss) (₹ in Million)
Forward	**GBP: USD 183**	**795**
	(March31, 2014: 157)	(March 31, 2014: (752))
	EUR : USD 155	**1,375**
	(March 31, 2014 : 30)	(March 31, 2014: (4))

The following are the outstanding foreign currency to INR Currency Exchange Forward Contracts entered into by the Group which have been designated as Cash Flow Hedges:

Type of cover	Amount outstanding in Foreign currency (in Million)	Fair Value Gain / (Loss) (₹ in Million)
Forward	**USD 1,470**	**(1,368)**
	(March 31, 2014: 933)	(March 31, 2014: (5,211))
	EUR 4	**39**
	(March 31, 2014: 12)	(March 31, 2014: (60))
	GBP 1	**1**
	(March 31, 2014: 10)	(March 31, 2014: (103))
Option	**USD 180**	**(25)**
	(March 31, 2014: 79)	(March 31, 2014: 77)

The Mark to Market as at March 31, 2015 is net of gain / loss as given below

₹ in Million

Particulars	As at	
	March 31, 2015	March 31, 2014
Classified under Long-Term Loans and Advances	**Loss: 1,042**	-
Classified under Short-Term Loans and Advances	**Loss: 1,450**	Gain: 55
Classified under Other Long-Term Liabilities	**-**	Gain: 4
Classified under Other Current Liabilities	**-**	Gain: 315

The movement in hedging reserve during the year ended March 31, 2015 for derivatives designated as Cash Flow Hedges is as follows:

₹ in Million

Particulars	As at	
	March 31, 2015	March 31, 2014
Credit / (Debit) Balance at the beginning of the year	**(5,558)**	(2,486)
Add: Additions on account of amalgamation (refer note 31)	**-**	197
Add: Transfer due to amalgamation (pertaining to April 1, 2011 to March 31, 2013)	**-**	(38)
Initial Adoption of AS 30 by one of the Group Entity	**-**	10
Less: Gain / (Loss) net transferred to income statement on occurrence of forecasted hedge transaction	**609**	(843)
Add: Changes in the fair value of effective portion of outstanding cash flow derivative	**6,903**	(4,084)
(Debit) / Credit Balance as at the end of year	**736**	(5,558)

Net loss on derivative instruments of ₹ 319 Million (March 31, 2014: loss ₹ 2,414 Million) recognised in hedging reserve as of March 31, 2015 is expected to be reclassified to the Statement of Profit and Loss by March 31, 2016.

Exchange gain / (loss) of ₹ 609 Million (March 31, 2014: loss ₹ 843 Million) on foreign exchange forward contracts and currency options contracts have been recognised in the year ended March 31, 2015.

c) As at March 31, 2015, the Group has net foreign exchange exposures that are not hedged by a derivative instruments or otherwise amounting to ₹ 42,872 Million (March 31, 2014: ₹ 36,976 Million).

54. Earnings Per Share is calculated as follows:

₹ in Million except earnings per share

Particulars	**For the year ended**	
	March 31, 2015	March 31, 2014
Profit after taxation and before exceptional item	**26,277**	29,088
Add: Exceptional item (refer note 59)	**-**	1,200
Profit after taxation and exceptional item	**26,277**	30,288
Net profit attributable to shareholders	**26,277**	30,288
Equity Shares outstanding as at the end of the year (in nos.)*	**960,788,912**	933,891,544
Weighted average Equity Shares outstanding as at the end of the year (in nos.)*	**957,023,671**	930,120,408
Weighted average number of Equity Shares used as denominator for calculating Basic Earnings Per Share*	**957,023,671**	930,120,408
Add: Dilutive impact of employee stock options*	**25,823,764**	25,475,308
Number of Equity Shares used as denominator for calculating Diluted Earnings Per Share*	**982,847,435**	955,595,716
Nominal Value per Equity Share (in ₹)*	**5.00**	5.00
Earnings Per Share*		
- Before Exceptional Item		
Earnings Per Share (Basic) (in ₹)	**27.46**	31.27
Earnings Per Share (Diluted) (in ₹)	**26.74**	30.44
- After Exceptional Item		
Earnings Per Share (Basic) (in ₹)	**27.46**	32.56
Earnings Per Share (Diluted) (in ₹)	**26.74**	31.70

* For the previous year, the equity shares and basic and diluted earnings per share has been presented to reflect the adjustment for bonus share and split in accordance with Accounting Standard 20 Earnings per share. Refer Note 3.

55. Current tax for the year ended March 31, 2015 includes excess provision of ₹ 64 Million (March 31, 2014: ₹ 240 Million) of earlier year written back, no longer required.

TechM and its Indian subsidiaries had calculated its tax liability under Minimum Alternate Tax (MAT) from financial year 2007-08. The MAT credit can be carried forward and set off against the future tax payable. In the current year ended March 31, 2015, TechM and its Indian subsidiaries has calculated its tax liability under normal provisions of the Income Tax Act, 1961 and utilized the brought forward MAT credit of ₹ 105 Million (March 2014: ₹ 5 Million)

The Company has made provision towards current tax in respect of its domestic operations for the year ended March 31, 2015. Further, the Management has assessed the Company's tax position in respect of its overseas operations taking into account the relevant rules and regulations as applicable in the respective countries. Based on professional advice, it has been determined that the provision made currently is adequate.

Current tax for year ended March 31, 2015 includes provision of ₹ Nil towards capital gain on deemed transfer of business in overseas branches on account of merger (March 31, 2014: ₹ 223 Million).

56. The Group makes provision for Claims and Warranties on a need based basis. The Group also provides warranty support to some of its customers as per the terms of the contracts. The details of provision for claims and warranties are as follows:

₹ in Million

Particulars	**As at**	
	March 31, 2015	March 31, 2014
Opening balance	**258**	113
Additions on account of acquisitions / amalgamation (refer note 31.2)	**-**	70
Provision made during year	**260**	491
Reversals during the year	**(166)**	(336)
Payments / utilisation made during the year	**(177)**	(80)
Closing balance	**175**	258

Note:

Provision for warranties is estimated and made based on technical estimates of the Management and is expected to be settled over the period of next one year.

57. **Provision for contingencies**

The Group carries a general provision for contingencies towards various claims made/anticipated against the Group based on the Management's assessment. The management estimates that same to be settled in 3-5 years. The details of the same are as follows:

₹ in Million

Particulars	**As at**	
	March 31, 2015	March 31, 2014
Opening Balance	**1,241**	-
Additions on account of amalgamation (refer note 31.2)	**-**	2,441
Provision made during the year	**-**	-
Reversal / utilisation made during the year	**-**	(1,200)
Closing balance	**1,241**	1,241

58. Revenue and Software, Hardware and Project Specific Expenses for the year ended March 31, 2015 include revenue and cost relating to one of the subsidiary of ₹ 1,061 Million (March 2014: ₹ 1,108 Million) and cost of ₹ 813 Million (March 2014: ₹ 866 Million) relating to sale and purchase of trading goods.

59. **Exceptional item:**

The exceptional item (income) amounting to ₹ 1,200 Million represents write back during the previous year of an estimated excess provision for contingencies provided in an earlier year by erstwhile Satyam, based on a re-evaluation of the same by the management.

60. Additional Information as per Section 129 of the Companies Act 2013 – **Refer Annexure - I**

61. Statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture / ventures under the first proviso to sub-section (3) of section 129 (Form AOC-1) - **Refer Annexure - II**

61.1 Particulars of loans given \ investments made \ guarantees given, as required by clause (4) of Section 186 of the Companies Act, 2013

Name	Nature	Amount of loan outstanding as at 31.03.2015	Period	Rate of interest	Purpose
Satyam Associates Trust	Loan	₹18 Milion	1 - 24 months	-	General corporate purpose
For details of investments made, refer Note 13					
Lightbridge Communications Corporation	Guarantee	₹ 5,687 Million (USD 91 Million)	Loan availed by LCC is repayable of demand		letter of support of USD 91 Million (₹ 5,687 Million) to banks for loans availed by LCC to repay the high cost loans

Note: The corresponding figures of the previous year has not been given as section 186 of the Companies Act, 2013 is applicable with effect from April 1, 2014.

62. The Board of Directors of the Company in their meeting held on May 26, 2015 have approved the "Scheme of Amalgamation and Arrangement under applicable provisions of the Companies Act, 2013 of TMBPO and New vC Services Private Limited (both are 100% subsidiaries of TechM) with the Company ("the Scheme"). The Appointed date of the Scheme is April 1, 2015.

As the amalgamating companies are wholly owned by the Company, no shares would be issued to shareholders of TMBPO and New vC Services Private Limited.

63. The numbers for year ended March 31, 2015 are not comparable with the previous year as the Company has given effect of the completed acquisition of Lightbridge Communications Corporation (LCC) and Sofgen Holdings Limited (Sofgen) during the current year (refer note 27(i) & 27(k) above).

64. Previous period's figures including subsidiaries have been regrouped/reclassified wherever necessary, to correspond with the current period's classification/disclosure/group financial statements.

For and on behalf of the Board of Directors

Anand G. Mahindra
Chairman

Vineet Nayyar
Executive Vice Chairman

C. P. Gurnani
Managing Director & CEO

Anupam Puri
Director

Bharat Doshi
Director

M. Damodaran
Director

M. Rajyalakshmi Rao
Director

T. N. Manoharan
Director

Ravindra Kulkarni
Director

Ulhas N. Yargop
Director

Milind Kulkarni
Chief Financial Officer

G. Jayaraman
Company Secretary

Place: Mumbai, India
Dated: May 26, 2015

ADDITIONAL INFORMATION AS REQUIRED BY SCHEDULE III OF THE ACT.

Annexure I

Name of the entity	Net Assets, i.e., total assets minus total liabilities				Share in profit or loss			
	F.Y. 2014-2015		F.Y. 2013-2014		F.Y. 2014-2015		F.Y. 2013-2014	
	As % of consolidated Net Assets	INR Amount (In Million)	As % of consolidated Net Assets	INR Amount (In Million)	As % of consolidated Profit or Loss	INR Amount (In Million)	As % of consolidated Profit or Loss	INR Amount (In Million)
Parent Company								
Tech Mahindra Limited	94.12%	115,287	98.43%	90,359	82.91%	21,787	88.66%	26,852
Subsidiaries								
- Indian								
Tech Mahindra Business Services Limited	2.02%	2,473	1.26%	1,161	5.00%	1,313	2.51%	759
Comviva Technologies Limited (refer note (2) below)	0.84%	1,032	0.63%	582	2.63%	692	2.07%	626
Tech Mahindra BPO Limited	-0.36%	(445)	-1.16%	(1,069)	2.37%	624	2.44%	739
Satyam Venture Engineering Services Pvt. Limited (refer note (2) below)	0.26%	320	0.31%	280	0.30%	79	0.40%	122
New vC Services Private Limited (refer note (2) below)	0.22%	269	0.22%	203	0.21%	56	0.33%	100
- Foreign								
Tech Mahindra (Americas) Inc. (refer note (2) below)	3.04%	3,725	2.01%	1,845	5.74%	1,507	1.97%	597
Tech Mahindra GMBH (refer note (2) below)	0.15%	186	0.10%	89	0.37%	98	0.42%	126
Tech Mahindra (Singapore) Pte Limited	0.14%	177	0.17%	158	0.07%	18	0.06%	19
Tech Mahindra (Thailand) Limited	0.01%	15	0.01%	9	0.02%	6	0.00%	1
PT Tech Mahindra Indonesia	0.70%	853	0.74%	676	1.26%	330	0.61%	185
Tech Mahindra (Malaysia) SDN BHD	0.06%	78	0.07%	60	0.07%	18	0.05%	14
Tech Mahindra (Beijing) IT Services Limited	-0.01%	(6)	-0.01%	(8)	0.01%	2	0.01%	2
Tech Mahindra (Bahrain) Limited (S.P.C)	0.13%	157	0.16%	148	0.03%	9	0.08%	24
Tech Mahindra (Nigeria) Limited	0.22%	274	0.26%	235	0.15%	39	0.54%	163
Tech Mahindra South Africa (Pty) Limited	-0.02%	(20)	-0.01%	(6)	-0.03%	(7)	-0.04%	(12)
Tech Mahindra Technologies Inc.	0.01%	15	0.00%	2	0.05%	13	0.06%	18
Tech Mahindra (Shanghai) Co. Limited	-0.23%	(286)	-0.41%	(379)	0.30%	80	0.19%	59
Citisoft Plc. (refer note (2) below)	0.26%	317	0.22%	201	0.45%	117	0.16%	48
Satyam Computer Services (Egypt) S.A.E	-0.08%	(102)	-0.11%	(104)	-0.00%	(0)	-0.00%	(0)
Tech Mahindra (Nanjing) Co. Limited	-0.24%	(288)	-0.33%	(301)	0.05%	13	0.05%	16
Nitor Global Solutions Limited (refer note (3) below)	-0.01%	(17)	-0.02%	(17)	0.00%	-	0.00%	1
Bridge Strategy Group LLC	0.00%	-	0.00%	-	0.00%	-	-0.31%	(94)
Satyam Computer Services Belgium BVBA (refer note (3) below)	0.00%	-	-1.18%	(1,087)	-0.14%	(37)	0.13%	40
Vision Compass, Inc. (refer note (3) below)	-1.02%	(1,246)	-1.36%	(1,246)	0.00%	-	0.00%	-
Satyam (Europe) Limited (refer note (3) below)	-0.21%	(263)	-0.29%	(263)	0.00%	-	0.00%	-
Satyam Japan KK	0.00%	-	0.00%	-	0.00%	-	-0.09%	(28)
Tech Mahindra Servicos De Informatica LTDA (refer note (2) below)	-0.13%	(160)	-0.06%	(59)	-0.45%	(118)	0.08%	25
vCustomer Services LLC (refer note 27 (j))	0.00%	-	0.36%	333	0.00%	-	0.72%	219
Tech Mahindra ICT Services (Malaysia) SDN BHD	0.09%	104	0.00%	3	0.38%	101	0.01%	3
Satyam Computer Services De Mexico S.DE R.L.DE C.V	-0.01%	(8)	0.00%	-	-0.03%	(8)	0.00%	-
Tech Mahindra IPR Inc	-0.04%	(46)	0.00%	-	-0.18%	(46)	0.00%	-
FixStream Networks Inc. (refer note (2) below)	-0.09%	(110)	0.00%	-	-0.48%	(126)	0.00%	-
Mahindra Technologies Services Inc.	0.05%	65	0.00%	-	0.05%	14	0.00%	-
Mahindra Engineering Services (Europe) Limited	0.18%	214	0.00%	-	0.18%	46	0.00%	-
Mahindra Engineering GmbH	-0.06%	(70)	0.00%	-	-0.02%	(4)	0.00%	-
Sofgen Holdings Limited (refer note (2) below)	-0.01%	(8)	0.00%	-	-0.11%	(30)	0.00%	-
Total	100.00%	122,486	100.00%	91,805				
Minority Interest in Subsidiaries	2.11%	1,601	1.57%	1,438	-1.18%	(310)	-1.11%	(336)
Associates (Investment as per Equity Method)								
- Foreign								
Avion Networks, Inc.	0.24%	186	N.A.	N.A.	0.00%	-	N.A.	N.A.
SARL Djazatech (refer note (2) below)	0.06%	45	N.A.	N.A.	0.01%	1	N.A.	N.A.

Notes:

1. Refer note 29 for the entities which has not been considered for consolidation.
2. These numbers includes numbers of their subsidiaries and associates, as applicable.
3. These companies have been liquidated/dissolved as per the laws of the respective countries. However, the company is awaiting approval from Reserve Bank of India for writing off the investments from the books of the company.

Tech Mahindra Limited
For the year ended March 31,2015

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/Associate Companies/ Joint Venture

Annexure-II

Part "A": Subsidiaries

(F.Y. 2014-2015)
(Amount in ₹ Million)

Sr. No.	Name of the Subsidiary	Country	Reporting Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Shareholding
1	Tech Mahindra (Americas) Inc.	USA	March 31, 2015	USD	62.50	10,657.61	4,895.83	22,418.15	6,864.72	10,843.75	45,318.33	2,470.27	1,030.35	1,439.92	-	100.00%
2	Tech Talenta Inc.	USA	March 31, 2015	USD	62.50	31.25	3.91	195.86	160.69	-	990.50	12.13	4.43	7.70	-	100.00%
3	Tech Mahindra IPR Inc.	USA	March 31, 2015	USD	62.50	6.25	(46.52)	206.17	246.44	-	116.62	(68.97)	(23.44)	(45.54)	-	100.00%
4	Tech Mahindra GmbH	Germany	March 31, 2015	EUR	67.20	40.39	1,154.86	3,176.49	1,981.25	465.38	3,936.24	130.46	6.75	123.71	-	100.00%
5	TechM IT-Services GmbH	Austria	March 31, 2015	EUR	67.20	0.34	0.61	3.78	2.84	-	16.57	0.94	0.23	0.70		100.00%
6	Tech Mahindra (Singapore) Pte. Limited	Singapore	March 31, 2015	SGD	45.46	2.27	173.88	423.65	247.49	-	306.97	18.60	(1.00)	19.61	-	100.00%
7	Tech Mahindra (Thailand) Limited	Thailand	March 31, 2015	THB	1.92	11.52	10.93	169.97	147.52	-	178.29	6.16	1.24	4.91	-	100.00%
8	PT Tech Mahindra Indonesia	Indonesia	March 31, 2015	USD	62.50	31.25	844.09	1,341.66	466.32	-	1,387.83	404.56	108.03	296.53	-	100.00%
9	Tech Mahindra (Malaysia) SDN. BHD.	Malaysia	March 31, 2015	MYR	16.87	5.28	76.22	228.96	147.46	-	664.12	32.87	8.39	24.48	-	100.00%
10	Tech Mahindra (Beijing) IT Services Limited	China	December 31, 2014	CNY	10.15	34.94	(19.05)	21.72	5.83	-	15.44	0.78	-	0.78	-	100.00%
11	Tech Mahindra (Nigeria) Limited	Nigeria	March 31, 2015	NGN	0.31	47.44	267.28	970.52	655.80	-	892.75	119.42	32.10	87.33	-	100.00%
12	Tech Mahindra (Bahrain) Limited S.P.C.	Bahrain	March 31, 2015	BHD	165.75	8.29	155.00	190.07	26.78	-	60.05	2.05	-	2.05	-	100.00%
13	Tech Mahindra Business Services Limited.	India	March 31, 2015	INR	1.00	10.00	4,642.50	6,285.73	1,633.23	3,473.85	7,312.00	1,917.00	604.00	1,313.00	-	100.00%
14	Comviva Technologies Limited	India	March 31, 2015	INR	1.00	218.65	3,570.75	5,580.01	1,790.62	8.70	6,373.31	1,190.64	439.51	751.14	-	67.12%
15	Comviva Technologies Inc.	USA	December 31, 2014	USD	63.04	6.59	5.94	27.55	15.02	-	107.30	3.18	0.43	2.75	-	67.12%
16	Comviva Technologies Nigeria Limited	Nigeria	March 31, 2015	NGN	0.31	3.10	11.40	205.09	190.59	17.71	161.71	(15.56)	4.24	(19.80)	-	67.12%
17	Hedonmark {Management Services} Limited	NIGERIA	March 31, 2015	NGN	0.31	0.78	(1.58)	0.25	1.05	-	-	(1.89)	-	(1.89)		50.34%
18	Comviva Technologies Singapore PTE. Ltd	Singapore	March 31, 2015	SGD	45.46	0.05	(4.09)	27.82	31.87	-	7.29	(1.68)	-	(1.68)	-	67.12%
19	Comviva Technologies FZ-LLC	Dubai	March 31, 2015	AED	17.05	0.94	(37.27)	536.06	572.39	-	574.69	(31.71)	21.00	(52.71)	-	67.12%
20	Tech Mahindra South Africa (Pty) Limited	South Africa	March 31, 2015	ZAR	5.12	0.00	(19.94)	50.20	70.14	-	41.39	(9.29)	-	(9.29)	-	51.00%
21	Tech Mahindra BPO Limited	India	March 31, 2015	INR	1.00	331.04	(29.73)	1,368.60	1,067.29	-	2,863.43	933.42	309.57	623.86	-	100.00%
22	Tech Mahindra (Shanghai) Co. Limited	China	December 31, 2014	CNY	10.15	1,043.99	(713.46)	536.65	206.13	-	860.24	78.01	-	78.01	-	100.00%
23	Tech Mahindra (Nanjing) Co. Limited	China	December 31, 2014	CNY	10.15	534.56	(472.38)	80.02	17.83	-	79.16	10.02	-	10.02	-	100.00%
24	Tech Mahindra Technologies Inc.	USA	March 31, 2015	USD	62.50	62.50	(2.57)	246.36	186.43	-	775.44	16.93	6.08	10.85	-	100.00%
25	Satyam Computer Services (Egypt) S.A.E (refer note ii (b) below)	Egypt	December 31, 2014	EGP	8.82	13.11	(108.53)	18.68	114.10	-	-	0.13	-	0.13	-	100.00%
26	Citisoft Plc.	UK	March 31, 2015	GBP	92.44	10.39	162.73	215.19	42.07	0.29	294.03	28.65	5.22	23.43	-	100.00%
27	Citisoft Inc.	USA	March 31, 2015	USD	62.50	0.30	324.98	587.45	262.18	-	1,509.81	149.74	55.93	93.80	-	100.00%
28	Satyam Computer Services Belgium BVBA (refer note ii c below)	Belgium	March 31, 2015	EUR	67.20	-	-	0.03	0.03	-	-	(3.92)	-	(3.92)	-	100.00%
29	Satyam Venture Engineering Services Private Limited	India	March 31, 2015	INR	1.00	70.89	636.31	1,555.73	848.52	11.44	2,144.42	249.07	176.96	72.10	-	50.00%
30	Satyam Venture Engineering Services (Shanghai) Co. Limited	China	December 31, 2014	CNY	10.15	10.08	1.54	18.05	6.43	-	33.52	3.84	0.43	3.41	-	50.00%
31	Satyam Venture Engineering Services GmbH	Germany	March 31, 2015	EUR	67.20	1.68	0.05	3.34	1.61	-	4.00	0.09	0.03	0.06	-	50.00%
32	Satyam Computer Services De. Mexico S.DE.R.L.DE.C.V.	Mexico	December 31, 2014	MXN	4.29	29.60	(0.00)	29.60	-	-	-	(0.00)	-	(0.00)	-	100.00%
33	vCustomer Services LLC (refer note iv below)	USA	March 31, 2015	USD	62.50	-	-	-	-	-	-	-	-	-	-	100.00%
34	New vC Services Private Limited	India	March 31, 2015	INR	1.00	90.00	94.66	209.88	25.21	61.75	247.11	46.49	15.08	31.41	-	100.00%
35	vCustomer Philippines, Inc.	Philippines	March 31, 2015	PHP	1.40	13.52	166.28	250.27	70.47	13.30	515.43	9.62	3.62	6.00	-	100.00%
36	vCustomer Philippines (Cebu), Inc.	Philippines	March 31, 2015	PHP	1.40	13.30	62.92	207.69	131.47	-	250.31	18.94	-	18.94	-	100.00%
37	Tech Mahindra Servicos De Informatica LTDA	Brazil	March 31, 2015	BRL	19.36	539.91	(139.47)	1,154.17	753.72	241.73	995.15	(159.50)	-	(159.50)	-	100.00%
38	Satyam Colombia Servicios De Informatica SAS	Colombia	December 31, 2014	COP	0.03	1.09	1.48	4.86	2.29	-	22.17	3.21	1.50	1.71	-	100.00%
39	Complex IT Solution Consultoria EM Informatica S/A.	Brazil	March 31, 2015	BRL	19.36	96.80	137.77	855.29	620.72	-	4,016.63	121.65	24.96	96.70	-	100.00%
40	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	Malaysia	March 31, 2015	MYR	16.87	11.03	108.93	246.21	126.24	-	1,057.78	109.99	3.27	106.72	-	100.00%
41	FixStream Networks Inc.	USA	March 31, 2015	USD	62.50	1.33	(188.83)	463.02	650.52	2.63	15.26	(232.19)	(106.59)	(125.59)	-	75.00%

(Amount in ₹ Million)

Sr. No.	Name of the Subsidiary	Country	Reporting Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Shareholding
42	Quexa Systems Private Limited	India	March 31, 2015	INR	1.00	0.17	4.85	18.37	13.34	-	41.50	4.60	1.50	3.10	-	75.00%
43	TechM Canada Inc. (refer note i(a) below)	Canada	March 31, 2015	CAD	-	-	-	-	-	-	-	-	-	-	-	100.00%
44	Mahindra Technologies Services Inc.	USA	March 31, 2015	USD	62.50	65.63	63.24	153.72	24.86	-	483.69	25.57	11.42	14.15	-	100.00%
45	Mahindra Engineering Services (Europe)Limited	UK	March 31, 2015	GBP	92.44	6.01	208.57	267.50	52.93	64.82	260.10	73.08	15.38	57.69		100.00%
46	Mahindra Engineering GmbH	Germany	March 31, 2015	EUR	67.20	4.70	(3.36)	10.02	8.67	-	20.89	(3.28)	-	(3.28)	-	100.00%
47	Tech Mahindra DRC SARLU (refer note i(b) below)	Congo DRC	December 31, 2014	CDF	-	-	-	-	-	-	-	-	-	-	-	100.00%

Notes

i) Following subsidiaries are yet to commence operations and no share capital has been infused as at March 31, 2015

a) TechM Canada Inc. (refer note 27(d))

b) Tech Mahindra DRC SARLU (refer note 27 (l))

ii) The following subsidiaries have been liquidated / in the process of liquidation/disposed off during the year ended March 31, 2015

a) Nitor Global Solutions Limited has been dissolved and name has been struck-off from registrar of companies in UK w.e.f. January 20, 2014 (refer note 28(f))

b) Satyam Computer Services (Egypt) S.A.E had applied for voluntary liquidation during the year ended March,2012 (refer note 28(a))

c) Satyam Computer Services Belgium, BVBA has been dissolved on September 17, 2014 (refer note 28(d))

d) Mahindra Satyam Servicos DE Informatica S.R.L. has been liquidated (refer Note 28(b))

e) Mahindra Satyam Servicos DE Informatica Sociedad Anonima Cerrada has been liquidated (refer Note 28(b))

f) Satyam (Europe) Limited has been liquidated / dissolved. R.B.I. approval is pending. (refer note 28 c)

g) Vision Compass Inc has been liquidated / dissolved . R.B.I. approval is pending.(refer note 28 c)

iii) The following are Section 8 companies have not been included in the above statement

a) Tech Mahindra Foundation (refer Note 29)

b) Mahindra Educational Institutions(refer Note 29)

iv) vCustomer Services LLC has been merged with Tech Mahindra (Americas) Inc with effect from February 02,2015.(refer note 27(j))

v) Others

a) Lightbridge Communications Corporation (LCC) has been acquired by Tech Mahindra (Americas) Inc with effect from January 02, 2015 (refer note 27(i) which is not included in above statement as for LCC has December 31, 2014 as statutory year end.

b) Sofgen Holdings Limited has been acquired with effect from March 13,2015 by the Tech Mahindra Limited (refer note 27(k)) and has not been included in above statement as Sofgen has December 31, 2014 as statutory year end.

vi) The reporting period of Tech Mahindra Business Services GmbH ends on July 31,2014, hence not considered above as it was acquired by Tech Mahindra GmbH in July, 2014.

vii) All Profit and loss items have been converted at average rate and Balance sheet items have been converted at close rate

Part "B": Associates and Joint Ventures

(Amount in ₹ Million)

Sr no.	Name of the Associate or Joint Venture	Latest Balance Sheet Date	Shares of Associate/Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit / Loss for the year	
			No. of Shares	Amount of Investment in Associates/Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
1	Avion Networks, Inc	March 31, 2015	600,000	185.61	30%	By Board and equity holding	Not Applicable	187.57	Not Applicable	Not Applicable

For and on behalf of the Board of Directors

Anand G. Mahindra
Chairman

Vineet Nayyar
Executive Vice Chairman

C. P. Gurnani
Managing Director & CEO

Anupam Puri
Director

Bharat Doshi
Director

M. Damodaran
Director

M. Rajyalakshmi Rao
Director

Ravindra Kulkarni
Director

T. N. Manoharan
Director

Ulhas N. Yargop
Director

Milind Kulkarni
Chief Financial Officer

G. Jayaraman
Company Secretary

Place: Mumbai, India
Dated: May 26, 2015

Tech Mahindra Limited
For the year ended March 31,2014
FORM AOC-1
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/Associate Companies/ Joint Venture

Annexure -II
(F.Y. 2013-2014)

Part "A": Subsidiaries

(Amount in ₹ Million)

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Holding
1	Tech Mahindra (Americas) Inc.	March 31, 2014	USD	59.92	22.47	1,958.79	7,164.44	5,183.18	35.95	18,896.30	1,021.00	433.07	587.93	-	100.00%
2	Tech Talenta Inc.	March 31, 2014	USD	59.92	29.96	(3.79)	104.50	78.33	-	588.31	5.49	2.55	2.94	-	100.00%
3	Tech Mahindra GmbH	March 31, 2014	EUR	82.43	47.40	430.19	757.08	279.49	-	1,173.89	59.41	-	59.41	-	100.00%
4	Tech Mahindra (Singapore) Pte. Limited	March 31, 2014	SGD	47.51	2.38	162.10	235.21	70.73	-	224.07	5.38	(2.47)	7.85	-	100.00%
5	Tech Mahindra (Thailand) Limited	March 31, 2014	THB	1.84	11.04	5.66	72.72	56.02	-	86.11	2.02	0.40	1.61	-	100.00%
6	PT Tech Mahindra Indonesia	March 31, 2014	USD	59.92	29.96	668.63	924.08	225.50	-	1,143.17	198.48	65.87	132.61	-	100.00%
7	Tech Mahindra (Malaysia) SDN. BHD.	March 31, 2014	MYR	18.30	5.72	58.16	256.52	192.64	-	731.76	16.85	4.66	12.19	-	100.00%
8	Tech Mahindra (Beijing) IT Services Limited	December 31, 2013	CNY	10.21	35.13	(20.08)	20.79	5.75	-	17.89	1.20	-	1.20	-	100.00%
9	Tech Mahindra (Nigeria) Limited	March 31, 2014	NGN	0.36	55.09	223.06	1,169.99	891.84	-	1,236.72	255.31	93.37	161.94	-	100.00%
10	Tech Mahindra (Bahrain) Limited S.P.C.	March 31, 2014	BHD	158.90	7.95	146.59	208.99	54.46	-	487.00	10.22	-	10.22	-	100.00%
11	Tech Mahindra Business Services Limited. (formerly known as Hutchison Global Services Limited)	March 31, 2014	INR	1.00	10.00	3,329.94	5,115.73	1,775.79	2,394.77	7,462.00	1,125.14	365.88	759.27	-	100.00%
12	Comviva Technologies Limited	March 31, 2014	INR	1.00	218.65	2,833.95	4,847.54	1,794.95	137.20	5,653.15	922.85	328.23	594.62	-	67.12%
13	Comviva Technologies Inc.	December 31, 2013	USD	61.92	6.47	3.05	31.94	22.42	-	108.88	3.75	-	3.75	-	67.12%
14	Comviva Technologies Nigeria Limited	March 31, 2014	NGN	0.36	3.60	33.05	239.76	203.12	-	170.21	45.94	16.54	29.40	-	67.12%
15	Comviva Technologies Singapore PTE. Ltd	March 31, 2014	SGD	47.51	0.05	(2.59)	33.83	36.37	-	6.78	3.39	-	3.39	-	67.12%
16	Comviva Technologies FZ-LLC	March 31, 2014	AED	16.31	0.90	14.22	387.59	372.47	-	313.11	(13.52)	-	(13.52)	-	67.12%
17	Tech Mahindra South Africa (Pty) Limited	March 31, 2014	ZAR	5.66	0.00	(12.54)	18.09	30.62	-	-	(13.06)	-	(13.06)	-	51.00%
18	Tech Mahindra BPO Limited (formerly known as Satyam BPO Limited)	March 31, 2014	INR	1.00	331.04	(653.59)	1,497.01	1,819.55	-	2,562.30	1,022.45	283.29	739.16	-	100.00%
19	Satyam Computer Services (Shanghai) Co. Limited *	December 31, 2013	CNY	10.21	1,049.42	(797.57)	370.01	118.16	-	594.47	51.33	-	51.33	-	100.00%
20	Satyam Computer Services (Nanjing) Co. Limited **	December 31, 2013	CNY	10.21	537.34	(485.16)	62.10	9.92	-	114.65	12.62	-	12.62	-	100.00%
21	Tech Mahindra Technologies Inc. (formerly known as Satyam Technologies Inc.)	March 31, 2014	USD	59.92	59.92	(13.09)	248.45	201.61	-	828.21	23.38	8.39	14.99	-	100.00%
22	Nitor Global Solutions Limited (refer note ii e below)	March 31, 2014	GBP	99.62	0.10	(0.10)	-	-	-	-	(0.16)	-	(0.16)	-	100.00%
23	Satyam Computer Services (Egypt) S.A.E (refer note ii f below)	December 31, 2013	EGP	8.92	13.26	(109.95)	19.88	116.57	-	-	(0.03)	-	(0.03)	-	100.00%
24	Citisoft Plc.	March 31, 2014	GBP	99.62	11.20	151.69	216.76	53.87	0.31	370.73	9.95	-	9.95	-	100.00%
25	Citisoft Inc.	March 31, 2014	USD	59.92	0.29	219.69	407.60	187.62	-	1,260.08	65.92	27.74	38.18	-	100.00%
26	Satyam Computer Services Belgium BVBA	March 31, 2014	EUR	82.43	1,871.23	(1,518.11)	362.35	9.22	-	-	(17.74)	-	(17.74)	-	100.00%
27	Bridge Strategy Group LLC (refer note ii g below)	March 31, 2014	USD	59.92	-	127.58	297.62	170.03	-	415.07	(24.98)	(0.38)	(24.60)	-	100.00%
28	Satyam Venture Engineering Services Private Limited	March 31, 2014	INR	1.00	70.89	564.12	1,428.52	793.51	9.42	1,836.69	407.88	281.57	126.31	-	50.00%
29	Satyam Venture Engineering Services (Shanghai) Co. Limited	December 31, 2013	CNY	10.21	10.13	(1.97)	9.08	0.92	-	13.17	(1.85)	-	(1.85)	-	50.00%
30	vCustomer Services LLC	March 31, 2014	USD	59.92	-	1,333.47	1,502.06	168.59	-	252.23	58.73	24.56	34.17	-	100.00%
31	New vC Services Private Limited	March 31, 2014	INR	1.00	90.00	63.26	191.74	38.48	61.75	223.59	39.81	13.10	26.71	-	100.00%
32	vCustomer Philippines Inc.	March 31, 2014	PHP	1.34	12.94	153.33	203.81	37.54	12.73	417.77	53.59	-	53.59	-	100.00%
33	vCustomer Philippines (Cebu) Inc.	March 31, 2014	PHP	1.34	12.73	41.84	74.46	19.89	-	190.64	19.66	-	19.66	-	100.00%

(Amount in ₹ Million)

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Holding
34	Tech Mahindra Servicos De Informatica LTDA (formerly known as Satyam Servicos De Informatica LTDA)	December 31, 2013	BRL	26.55	522.65	(21.74)	679.71	178.80	111.62	446.47	4.34	-	4.34	-	100.00%
35	Satyam Colombia Servicios De Informatica SAS	December 31, 2013	COP	0.03	1.32	(0.01)	18.43	17.12	-	15.98	0.39	0.39	(0.01)	-	100.00%
36	Complex IT Solution Consultoria EM Informatica S.A.	December 31, 2013	BRL	26.55	132.75	86.15	766.58	547.67	-	2,275.21	88.05	-	88.05	-	51.00%
37	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	March 31, 2014	MYR	18.30	11.97	11.27	177.47	154.23	-	297.92	16.82	5.22	11.61	-	100.00%

Notes:

i) Following subsidiaries are yet to commence operations and no share capital has been infused as at March 31, 2014

a) Tech Mahindra IPR Inc.(refer Note 27 a)

b) Satyam Computer Services De Mexico S.DE R.L.DE C.V (refer Note 27 b)

c) Mahindra Satyam Servicios DE Informatica Sociedad Anonima Cerrada (refer Note 28 b)

d) Mahindra Satyam Servicios DE Informatica S.R.L.(refer Note 28 b)

ii) The following subsidiaries have been liquidated / in the process of liquidation/ disposed off during the year ended March 31, 2014

a) Knowledge Dynamics Pte. Ltd has been liquidated / dissolved as per the laws of Singapore in the year ending March 31, 2013. The approval of RBI has been received in the year ended 31 Mar 2014.

b) Satyam Venture Engineering Services UK Limited has been dissolved on January 7, 2014. It's name has been struck-off from the register of the Companies in United Kingdom.

c) Satyam (Europe) Limited has been liquidated / dissolved. R.B.I. approval is pending. (refer note 28 c)

d) Vision Compass Inc has been liquidated / dissolved . R.B.I. approval is pending.(refer note 28 c)

e) Nitor Global Solutions Limited has been dissolved and name has been struck-off from registrar of companies w.e.f. January 20, 2014.(refer note 28(f))

f) Satyam Computer Services (Egypt) S.A.E had applied for voluntary liquidation during the year ended March,2012 (refer note 28(a))

g) 100% membership interest in Bridge Strategy Group LLC has been sold vide agreement dated October 18, 2013.(refer Note 28 g)

iii) The following are Section 8 companies have not been included in the above statement

a) Tech Mahindra Foundation (refer Note 29)

b) Mahindra Educational Institutions(refer Note 29)

iv) All Profit and loss items have been converted at average rate and Balance sheet items have been converted at close rate.

* During Financial Year 2014-15, the name has been changed from Satyan Computer Services (Shanghai) Co. Limited to Tech Mahindra (Shanghai) Co. Limited.

** During Financial Year 2014-15, the name has been change from Satyan Computer Services (Nanjing) Co. Limited to Tech Mahindra (Nanjing) Co. Limited.

Part "B": Associates and Joint Ventures

(Amount in ₹ Million)

Sr No.	Name of the Associate or Joint Venture	Latest Balance Sheet Date	Shares of Associate/Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit / Loss for the year	
			No. of Shares	Amount of Investment in Associates/Joint Venture	Extend of Holding %				Considered in Consolidation	Not considered in Consolidation
1	Global ICT Investment Holdings Pte. Limited	Not Applicable	NIL	NIL	NIL	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Notes:

i) Global ICT Investment Holdings Pte. Limited is yet to commence operations and no share capital has been infused as at March 31, 2014. (refer Note 28 e)

For and on behalf of the Board of Directors

Anand G. Mahindra Chairman	Vineet Nayyar Executive Vice Chairman	C. P. Gurnani Managing Director & CEO	Anupam Puri Director	Bharat Doshi Director	M. Damodaran Director
M. Rajyalakshmi Rao Director	Ravindra Kulkarni Director	T. N. Manoharan Director	Ulhas N. Yargop Director	Milind Kulkarni Chief Financial Officer	G. Jayaraman Company Secretary

Place: Mumbai, India
Dated: May 26, 2015

ASIA PACIFIC

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FORM B

Format of covering letter of the annual audit report to be filed with the stock exchanges
(Pursuant to Clause 31(a) of the Listing Agreement for Equity)

1.	Name of the Company	Tech Mahindra Limited ("TechM" or the Company")
2.	Annual Consolidated Financial Statements for the year ended	March 31, 2015
3.	Type of Audit observation	Qualification and Emphasis of Matter
4.	Frequency of observation	Since last 5 years i.e. FY 2010-11
5.	Draw attention to relevant notes in the Annual Consolidated Financial statements and management response to the qualification in the directors report:	**- Qualification:** As stated in Note 33.3 of the Annual Consolidated Financial Statements (refer page no. 161 of the annual report), the alleged advances to the erstwhile Satyam, amounting to Rs. 12,304 Million (net) relating to prior years has been presented separately under "Amounts Pending Investigation Suspense Account (Net)" in the Balance Sheet. The details of these claims and the related developments are more fully described in the said Note. Further, as stated in the said Note, the Company's Management is of the view that the claim regarding repayment of the alleged advances not being legally tenable has been reinforced in view of the developments described in the said Note including based on legal opinion. However, pending the final outcome of the recovery suit filed by the 37 companies in the City Civil Court and the Enforcement Directorate matter under the Prevention of Money Laundering Act pending before the Honourable High Court, the Company, as a matter of prudence, at this point of time, is continuing to classify the amounts of the alleged advances as "Amounts Pending Investigation Suspense Account (Net)", and the same would be appropriately dealt with/reclassified when the final outcome becomes clearer. Also, in the opinion of the Company's Management, even if the principal amounts of such claims are held to be tenable and the Company is required to repay these amounts, such an eventuality should not have an adverse bearing on either the Company's profits or its reserves in that period, since the Company has been legally advised that no damages/ compensation/ interest would be payable even in such an unlikely event. In the absence of complete / required information, and since the matter is sub-judice, the auditors of Tech Mahindra Limited are unable to comment on the accounting treatment/ adjustments/disclosures relating to the aforesaid alleged advances amounting to Rs. 12,304 Million (net) and the related claims for damages/ compensation/interest, which may become necessary as a result of the ongoing legal proceedings and the consequential impact, if any, on these financial statements. However, in the eventuality of any payment upto Rs. 12,304 Million, against the aforesaid claims for the principal amounts of the alleged advances, there should be no impact on the profits \ losses or reserves of the Company.

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- Emphasis of Matters:

The auditors of Tech Mahindra Limited have drawn attention to the following matters:

(a) Notes 33.1 and 33.2 of the Annual Consolidated Financial Statements (refer page no. 161 of the annual report) - In respect of the financial irregularities in the erstwhile Satyam relating to prior years identified consequent to the letter dated January 7, 2009 of the then Chairman of erstwhile Satyam, various regulators/investigating agencies initiated their investigations and legal proceedings, which are ongoing.

The Company's Management is of the view that the above investigations/ proceedings would not result in any additional material provisions/write-offs/adjustments (other than those already provided for/written-off or disclosed) in the financial statements of the Company.

(b) In respect of the non-compliances/breaches in the erstwhile Satyam relating to certain provisions of the Companies Act, 1956, certain employee stock option guidelines issued by the Securities Exchange Board of India and certain matters under the provisions of FEMA, observed in the prior years under its erstwhile management (prior to the appointment of Government nominated Board).

As per the Company's Management, any adjustments, if required, in the financial statements of the Company would be made as and when the outcomes of the above matters are concluded.

(c) Note 31.5 of the Annual Consolidated Financial Statements (refer page no. 162 of the annual report) - Appeals against the order by the single judge of the Honourable High Court of Andhra Pradesh approving the Scheme of merger have been filed by 37 companies before the Division Bench of the Honorable High Court of Andhra Pradesh. No interim orders have been passed and the appeals are pending hearing.

(d) As stated in Note 37.2.2.v of the Annual Consolidated Financial Statements (refer page no. 162 of the annual report), erstwhile Satyam was carrying a total amount of Rs. 4,989 Million (net of taxes paid) as at March 31, 2013 (that is, before giving effect to its amalgamation with the Company) towards provision for taxation, including for the prior years for which the assessments are under dispute. Subsequent to the amalgamation, duly considering the professional advice obtained in the matter, the Company's Management has re-evaluated the effects of the possible outcomes of the tax matters in dispute relating to erstwhile Satyam and the estimated excess tax provision amounting to Rs. 2,266 Million determined based on such evaluation in respect of the prior years has been written back during the year ended March 31, 2014. The Company's Management is of the view that the balance provision for taxation carried in the books with respect to the prior year disputes relating to erstwhile Satyam is adequate.

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		(e) In the case of one of the subsidiary of the Company whose financial statements / financial information reflect total assets (net) of Rs. 1,315 Million as at March 31, 2015 and total revenues of Rs. 1,438 Million and net cash outflows amounting to Rs. 25 Million for the year ended on that date as considered in the consolidated financial results, the other auditors have drawn attention to the possible charge that may arise in respect of the on-going dispute, which is currently sub judice, between the promoters of the subsidiary on various issues relating to the shareholders agreement, the outcome of which is not determinable at this stage. Further, the auditors have drawn attention to the fact that the annual financial statements for the years ended March 31, 2012, March 31, 2013 and March 31, 2014 have not been adopted by the members of that subsidiary in their respective annual general meetings in the absence of unanimous consent of both the shareholders in terms of the Articles of Association of the subsidiary company. The financial statements as at and for the year ended March 31, 2015 have been drawn up incorporating the opening balances based on the above mentioned financial statements which have not been adopted by the shareholders of the subsidiary company. Adjustments to the opening balances, if any, will be made in the financial statements as and when determined. **- Other Matters** The consolidated financial statements include the unaudited financial statements / financial information of 21 subsidiaries whose financial statements / financial information reflect total assets of Rs. 2,232 Million as at March 31, 2015, total revenues of Rs. 149 Million and net cash outflows amounting to Rs. 3 Million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. Nil Million for the year ended March 31, 2015, as considered in the consolidated financial statements, in respect of an associate, whose financial statements / financial information have not been audited by auditors of TechM. The opinion of the auditors of Tech Mahindra Limited is not modified in respect of these matters. **Management response to the qualification** (refer page no. 211 of the annual report): Consequent to the letter of the erstwhile Chairman, on January 8, 2009, erstwhile Satyam received letters from thirty seven companies requesting confirmation by way of acknowledgement for receipt of certain alleged amounts referred to as "alleged advances". These letters were followed by legal notices from these companies dated August 4/5, 2009, claiming repayment of Rs. 12,304 Million allegedly given as temporary advances. The legal notices also claim damages/ compensation @18% per annum from date of advance till date of repayment. The erstwhile Satyam has not acknowledged any liability to any of the thirty seven companies and has

Tech Mahindra Limited PUNE

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		replied to the legal notices stating that the claims are legally untenable. The 37 companies had filed petitions / suits for recovery against the erstwhile Satyam before the City Civil Court, Secunderabad ("Court"), with a prayer that these companies be declared as indigent persons for seeking exemption from payment of requisite court fees. One petition where court fees have been paid and the pauper petition converted into a suit which is pending disposal and petitions filed by remaining 36 companies are before the Court, at various stages of rejection of pauperism/ trial of pauperism/ inquiry in condone delay applications. The remaining petitions are at a preliminary stage before the Court, for considering condonation of delay in re-submission of pauper petitions. In one petition, the delay had been condoned by the Court and the Company has obtained an interim stay order from the Honourable High Court of Andhra Pradesh. The Hon'ble High Court after hearing the parties has remanded the matter to the lower directing to consider the application afresh. The erstwhile Satyam had received legal notices from nearly all of the above companies, calling for payment of the amounts allegedly advanced by them (including interest and damages), failing which they would be constrained to file a petition for winding up the affairs of Satyam. In pursuance thereof, one of the aforesaid companies filed a winding up petition that was dismissed by the High Court. Against the said order of dismissal, the aforementioned company has filed an appeal before the Division Bench of High Court of Andhra Pradesh which is pending hearing. Furthermore, even in connection with the merger proceedings, the erstwhile Satyam had received letters from the aforesaid companies claiming themselves to be "creditors". They had pleaded inter-alia before the High Court (hearing the merger petition of the erstwhile Satyam with the Company) that the mandatory provisions governing the scheme under the Companies Act, 1956 have not been complied with in so far as convening a meeting of the creditors is concerned. They contended that without convening a meeting of the creditors and hearing their objections, the merger scheme could not be proceeded with. The High Court based on the report of an independent firm of Chartered Accountants appointed by the Court and the contentions of the erstwhile Satyam, held inter-alia, in its order approving the merger of the erstwhile Satyam with the Company, that the contention of the 37 companies that Satyam is retaining the money of the "creditors" and not paying them does not appear to be valid and further held that any right of the objecting creditors can be considered only if the genuineness of the debt is proved beyond doubt which is not so in this case. The High Court in its order, further held that in the absence of Board resolutions and documents evidencing acceptance of unsecured loans by the former management of the erstwhile Satyam, the new management of the

Tech Mahindra Limited PUNE

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		erstwhile Satyam is justified in not crediting the amounts received in their names and not showing them as creditors and further reflecting such amounts as Amounts pending investigation suspense account (net). The Directorate of Enforcement (ED) is investigating the matter under the Prevention of Money Laundering Act, 2002 ("PMLA") and directed the erstwhile Satyam to furnish details with regard to the alleged advances and has also directed it not to return the alleged advances until further instructions from the ED. In furtherance to the investigation by the ED, the erstwhile Satyam was served with a provisional attachment order dated October 18, 2012 issued by the Joint Director, Directorate of Enforcement, Hyderabad under Section 5(1) of the PMLA ("the Order"), provisionally attaching certain Fixed Deposit accounts of the Company then aggregating to Rs. 8,220 Million for a period of 150 days. As stated in the Order, the investigations of the ED revealed that Rs. 8,220 Million constitutes "proceeds of crime" as defined in the PMLA. The erstwhile Satyam had challenged the Order in the Honourable High Court of Andhra Pradesh ("the Writ"). The Honourable High Court of Andhra Pradesh ("the High Court") has, pending further orders, granted stay of the said Order and all proceedings pursuant thereto vide its interim order dated December 11, 2012. The ED had challenged the interim order before the Division Bench of the Honourable High Court of Andhra Pradesh. By an order dated December 31, 2014, the Hon'ble High court has dismissed the Appeal filed by ED and continued the stay granted. The criminal case has been commenced before the "Honourable XXI Additional Chief Metropolitan Magistrate, Hyderabad cum Special Sessions Court" by the Enforcement Directorate under the Prevention of Money Laundering Act, 2002 against erstwhile Satyam, since merged with the Company, along with 212 Accused persons. In the complaint, ED has alleged that the Company has been involved in the offence of money laundering by possessing the proceeds of crime and projecting them as untainted. The Company had challenged the above complaint before the Honourable High Court of Judicature at Hyderabad and the Honourable High court has quashed the criminal complaint against the Company vide its order dated December 22, 2014. On appeal, the Divisional Bench of the High Court, however passed an interim order allowing the hearing for framing 'Charges'. On Special Leave Petition before the Honourable Supreme Court of India, the Hon'ble Supreme Court directed the Hon'ble High Court of Telangana and Andhra Pradesh to dispose of the writ appeal within a period of 4 months and further directed the trial court to defer the trial till the Hon'ble High Court of Telangana and Andhra Pradesh disposes of the writ appeal. In view of the aforesaid developments and also based on legal opinion, the erstwhile Satyam's management's view, which is also the Company's Management's view, that the claim regarding the repayment of "alleged advances" (including interest thereon) of the 37 companies are not legally tenable has been reinforced. However, notwithstanding the above, pending the final outcome of the recovery suit filed by the 37 companies in the City Civil Court and the ED matter under the PMLA pending before the High Court, the Company, as a

Tech Mahindra Limited PUNE

DELOITTE HASKINS & SELLS LLP Chartered Accountants

		matter of prudence, at this point of time, is continuing to classify the amounts of the alleged advances as "Amounts Pending Investigation Suspense Account (Net)", and the same would be accordingly dealt with/reclassified as and when appropriate.
6	Additional comments from the board / audit committee chair:	The qualification / most of the emphasis of matters flows from the qualifications / emphasis of matters in erstwhile Satyam's financial statements as a result of fraud committed by the previous management of the erstwhile Satyam before it was acquired by the new management in April 2009 pursuant to the auction process carried out by the Government of India nominated Board of Directors.
7.	To be signed by- • Mr. C .P. Gurnani Managing Director and Chief Executive Officer • Mr. Milind Kulkarni Chief Financial Officer • Mr. T. N. Manoharan Audit Committee Chairman • Auditor of the company	Place: Mumbai Date: June 11, 2015 Refer our Audit Report dated May 26, 2015 on the Consolidated financial statements of the Company For DELOITTE HASKINS & SELLS LLP Chartered Accountants (Firm's Registration No. 117366W/W-100018) A B Jani Partner (Membership No. 46488) Place: Mumbai Date: June 11, 2015

Tech Mahindra Limited PUNE

DELOITTE HASKINS & SELLS LLP Chartered Accountants

FORM B

Format of covering letter of the annual audit report to be filed with the stock exchanges (Pursuant to Clause 31(a) of the Listing Agreement for Equity)

1.	Name of the Company	Tech Mahindra Limited ("TechM" or the Company")
2.	Annual Standalone Financial Statements for the year ended	March 31, 2015
3.	Type of Audit observation	Qualification and Emphasis of Matter
4.	Frequency of observation	2nd year, as effect of merger of erstwhile Satyam Computer Services Limited (Satyam) with the Company is w.e.f. June 24, 2013.
5.	Draw attention to relevant notes in the Annual Standalone Financial statements and management response to the qualification in the directors report:	**- Qualification:** As stated in Note 26.3 of the Annual Standalone Financial Statements (refer page no. 79 of the annual report), the alleged advances to the erstwhile Satyam, amounting to Rs. 12,304 Million (net) relating to prior years has been presented separately under "Amounts Pending Investigation Suspense Account (Net)" in the Balance Sheet. The details of these claims and the related developments are more fully described in the said Note. Further, as stated in the said Note, the Company's Management is of the view that the claim regarding repayment of the alleged advances not being legally tenable has been reinforced in view of the developments described in the said Note including based on legal opinion. However, pending the final outcome of the recovery suit filed by the 37 companies in the City Civil Court and the Enforcement Directorate matter under the Prevention of Money Laundering Act pending before the Honourable High Court, the Company, as a matter of prudence, at this point of time, is continuing to classify the amounts of the alleged advances as "Amounts Pending Investigation Suspense Account (Net)", and the same would be appropriately dealt with/reclassified when the final outcome becomes clearer. Also, in the opinion of the Company's Management, even if the principal amounts of such claims are held to be tenable and the Company is required to repay these amounts, such an eventuality should not have an adverse bearing on either the Company's profits or its reserves in that period, since the Company has been legally advised that no damages/ compensation/ interest would be payable even in such an unlikely event. In the absence of complete / required information, and since the matter is sub-judice, the auditors of Tech Mahindra Limited are unable to comment on the accounting treatment/ adjustments/disclosures relating to the aforesaid alleged advances amounting to Rs. 12,304 Million (net) and the related claims for damages/ compensation/interest, which may become necessary as a result of the ongoing legal proceedings and the consequential impact, if any, on these financial statements. However, in the eventuality of any payment upto Rs. 12,304 Million, against the aforesaid claims for the principal amounts of the alleged advances, there should be no impact on the profits \ losses or reserves of the Company. **- Emphasis of Matters:** The auditors of Tech Mahindra Limited have drawn attention to the

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following matters:

(a) Notes 26.1 and 26.2 of the Annual Standalone Financial Statements (refer page no. 80 of the annual report) - In respect of the financial irregularities in the erstwhile Satyam relating to prior years identified consequent to the letter dated January 7, 2009 of the then Chairman of erstwhile Satyam, various regulators/investigating agencies initiated their investigations and legal proceedings, which are ongoing.

The Company's Management is of the view that the above investigations/ proceedings would not result in any additional material provisions/write-offs/adjustments (other than those already provided for/written-off or disclosed) in the financial statements of the Company.

(b) In respect of the non-compliances/breaches in the erstwhile Satyam relating to certain provisions of the Companies Act, 1956, certain employee stock option guidelines issued by the Securities Exchange Board of India and certain matters under the provisions of FEMA, observed in the prior years under its erstwhile management (prior to the appointment of Government nominated Board).

As per the Company's Management, any adjustments, if required, in the financial statements of the Company would be made as and when the outcomes of the above matters are concluded.

(c) Note 24.5 of the Annual Standalone Financial Statements (refer page no. 80 of the annual report) - Appeals against the order by the single judge of the Honourable High Court of Andhra Pradesh approving the Scheme of merger have been filed by 37 companies before the Division Bench of the Honorable High Court of Andhra Pradesh. No interim orders have been passed and the appeals are pending hearing.

(d) As stated in Note 29.5.2.v of the Annual Standalone Financial Statements (refer page no. 80 of the annual report), erstwhile Satyam was carrying a total amount of Rs. 4,989 Million (net of taxes paid) as at March 31, 2013 (that is, before giving effect to its amalgamation with the Company) towards provision for taxation, including for the prior years for which the assessments are under dispute. Subsequent to the amalgamation, duly considering the professional advice obtained in the matter, the Company's Management has re-evaluated the effects of the possible outcomes of the tax matters in dispute relating to erstwhile Satyam and the estimated excess tax provision amounting to Rs. 2,266 Million determined based on such evaluation in respect of the prior years has been written back during the year ended March 31, 2014. The Company's Management is of the view that the balance provision for taxation carried in the books with respect to the prior year disputes relating to erstwhile Satyam is adequate.

The opinion of the auditors of Tech Mahindra Limited is not modified in respect of these matters.

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		Management response to the qualification (refer page no. 117 of the annual report): Consequent to the letter of the erstwhile Chairman, on January 8, 2009, erstwhile Satyam received letters from thirty seven companies requesting confirmation by way of acknowledgement for receipt of certain alleged amounts referred to as "alleged advances". These letters were followed by legal notices from these companies dated August 4/5, 2009, claiming repayment of Rs. 12,304 Million allegedly given as temporary advances. The legal notices also claim damages/ compensation @18% per annum from date of advance till date of repayment. The erstwhile Satyam has not acknowledged any liability to any of the thirty seven companies and has replied to the legal notices stating that the claims are legally untenable. The 37 companies had filed petitions / suits for recovery against the erstwhile Satyam before the City Civil Court, Secunderabad ("Court"), with a prayer that these companies be declared as indigent persons for seeking exemption from payment of requisite court fees. One petition where court fees have been paid and the pauper petition converted into a suit which is pending disposal and petitions filed by remaining 36 companies are before the Court, at various stages of rejection of pauperism/ trial of pauperism/ inquiry in condone delay applications. The remaining petitions are at a preliminary stage before the Court, for considering condonation of delay in re-submission of pauper petitions. In one petition, the delay had been condoned by the Court and the Company has obtained an interim stay order from the Honourable High Court of Andhra Pradesh. The Hon'ble High Court after hearing the parties has remanded the matter to the lower directing to consider the application afresh. The erstwhile Satyam had received legal notices from nearly all of the above companies, calling for payment of the amounts allegedly advanced by them (including interest and damages), failing which they would be constrained to file a petition for winding up the affairs of Satyam. In pursuance thereof, one of the aforesaid companies filed a winding up petition that was dismissed by the High Court. Against the said order of dismissal, the aforementioned company has filed an appeal before the Division Bench of High Court of Andhra Pradesh which is pending hearing. Furthermore, even in connection with the merger proceedings, the erstwhile Satyam had received letters from the aforesaid companies claiming themselves to be "creditors". They had pleaded inter-alia before the High Court (hearing the merger petition of the erstwhile Satyam with the Company) that the mandatory provisions governing the scheme under the Companies Act, 1956 have not been complied with in so far as convening a meeting of the creditors is concerned. They contended that without convening a meeting of the creditors and hearing their objections, the merger scheme could not be proceeded with.

The High Court based on the report of an independent firm of Chartered Accountants appointed by the Court and the contentions of the erstwhile Satyam, held inter-alia, in its order approving the merger of the erstwhile Satyam with the Company, that the contention of the 37 companies that Satyam is retaining the money of the "creditors" and not paying them does not appear to be valid and further held that any right of the objecting creditors can be considered only if the genuineness of the debt is proved beyond doubt which is not so in this case.

The High Court in its order, further held that in the absence of Board resolutions and documents evidencing acceptance of unsecured loans by the former management of the erstwhile Satyam, the new management of the erstwhile Satyam is justified in not crediting the amounts received in their names and not showing them as creditors and further reflecting such amounts as Amounts pending investigation suspense account (net).

The Directorate of Enforcement (ED) is investigating the matter under the Prevention of Money Laundering Act, 2002 ("PMLA") and directed the erstwhile Satyam to furnish details with regard to the alleged advances and has also directed it not to return the alleged advances until further instructions from the ED. In furtherance to the investigation by the ED, the erstwhile Satyam was served with a provisional attachment order dated October 18, 2012 issued by the Joint Director, Directorate of Enforcement, Hyderabad under Section 5(1) of the PMLA ("the Order"), provisionally attaching certain Fixed Deposit accounts of the Company then aggregating to Rs. 8,220 Million for a period of 150 days. As stated in the Order, the investigations of the ED revealed that Rs. 8,220 Million constitutes "proceeds of crime" as defined in the PMLA. The erstwhile Satyam had challenged the Order in the Honourable High Court of Andhra Pradesh ("the Writ"). The Honourable High Court of Andhra Pradesh ("the High Court") has, pending further orders, granted stay of the said Order and all proceedings pursuant thereto vide its interim order dated December 11, 2012. The ED had challenged the interim order before the Division Bench of the Honourable High Court of Andhra Pradesh. By an order dated December 31, 2014, the Hon'ble High court has dismissed the Appeal filed by ED and continued the stay granted.

The criminal case has been commenced before the "Honourable XXI Additional Chief Metropolitan Magistrate, Hyderabad cum Special Sessions Court" by the Enforcement Directorate under the Prevention of Money Laundering Act, 2002 against erstwhile Satyam, since merged with the Company, along with 212 Accused persons. In the complaint, ED has alleged that the Company has been involved in the offence of money laundering by possessing the proceeds of crime and projecting them as untainted. The Company had challenged the above complaint before the Honourable High Court of Judicature at Hyderabad and the Honourable High court has quashed the criminal complaint against the Company vide its order dated December 22, 2014. On appeal, the Divisional Bench of the High Court, however passed an interim order allowing the hearing for framing 'Charges'. On Special Leave Petition before the Honourable Supreme Court of India, the Hon'ble Supreme Court directed the Hon'ble

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		High Court of Telangana and Andhra Pradesh to dispose of the writ appeal within a period of 4 months and further directed the trial court to defer the trial till the Hon'ble High Court of Telangana and Andhra Pradesh disposes of the writ appeal. In view of the aforesaid developments and also based on legal opinion, the erstwhile Satyam's management's view, which is also the Company's Management's view, that the claim regarding the repayment of "alleged advances" (including interest thereon) of the 37 companies are not legally tenable has been reinforced. However, notwithstanding the above, pending the final outcome of the recovery suit filed by the 37 companies in the City Civil Court and the ED matter under the PMLA pending before the High Court, the Company, as a matter of prudence, at this point of time, is continuing to classify the amounts of the alleged advances as "Amounts Pending Investigation Suspense Account (Net)", and the same would be accordingly dealt with/reclassified as and when appropriate.
6	Additional comments from the board / audit committee chair:	The qualification / most of the emphasis of matters flows from the qualifications / emphasis of matters in erstwhile Satyam's financial statements as a result of fraud committed by the previous management of the erstwhile Satyam before it was acquired by the new management in April 2009 pursuant to the auction process carried out by the Government of India nominated Board of Directors.
7.	To be signed by- • Mr. C .P. Gurnani Managing Director and Chief Executive Officer • Mr. Milind Kulkarni Chief Financial Officer • Mr. T. N. Manoharan Audit Committee Chairman • Auditor of the company	Place: Mumbai Date: June 11, 2015 Refer our Audit Report dated May 26, 2015 on the Standalone financial statements of the Company For DELOITTE HASKINS & SELLS LLP Chartered Accountants (Firm's Registration No. 117366W/W-100018) A B Jani Partner (Membership No. 46488) Place: Mumbai Date: June 11, 2015

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