

July 5, 2016

To  
The Manager  
Listing Department  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
MUMBAI – 400 001  
FAX NO.: 022 2272 2037/39/41/61

Scrip Code : 532755

The Manager  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> floor,  
Plot No. – C/1, G Block,  
Bandra-Kurla Complex, Bandra (E)  
MUMBAI – 400 051  
FAX NO.: 022 26598237/38, 2659  
8347/48  
NSE Symbol : TECHM

**Tech Mahindra Limited**  
Infocity, Hitech City Layout  
Madhapur, Hyderabad 500081, India  
Tel: +91 40 3063 6363  
Fax: +91 40 2311 7011  
investor.relations@techmahindra.com  
techmahindra.com

Registered Office:  
Gateway Building, Apollo Bunder  
Mumbai 400 001, India  
CIN : L64200MH1986PLC041370

Dear Sir(s)

Subject: Notice of 29<sup>th</sup> AGM, Annual Report for the financial year 2015-16 & Book Closure for AGM and Dividend.

This is to inform you that the 29<sup>th</sup> Annual General Meeting of the members of the Company is scheduled on Tuesday, August 2, 2016 at Y. B Chavan Auditorium, General Jagannath Bhosle Marg, Nariman Point, Mumbai – 400021.

Please find attached Notice of the AGM and Annual Report for the financial year 2015-16, for your information and records.

Pursuant to Regulation 42 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Register of Members and Share Transfer Books will remain closed from Saturday, the 30<sup>th</sup> day of July, 2016 to Tuesday, the 2<sup>nd</sup> day of August, 2016 (both days inclusive) for the purpose of Annual General Meeting and Payment of Dividend, to be declared.

This is for your information and records.

Thanking you,

For Tech Mahindra Limited

  
G. Jayaraman  
Company Secretary



Encl: as above

**TECH MAHINDRA LIMITED**  
**CIN: L64200MH1986PLC041370**

**Regd. Office:** Gateway Building, Apollo Bunder, Mumbai - 400 001

**Tel.:** +91 22 22895500 **E-mail:** investor.relations@techmahindra.com **Website:** www.techmahindra.com

## **NOTICE**

**NOTICE** is hereby given that the Twenty-Ninth Annual General Meeting of the members of Tech Mahindra Limited will be held on Tuesday, the 2<sup>nd</sup> day of August 2016 at 3.00 P.M. at Y. B. Chavan Auditorium, General Jagannath Bhosle Marg, Nariman Point, Mumbai - 400 021, India, to transact the following business:

### **Ordinary Business:**

#### **1. Adoption of Financial Statements**

To consider and adopt the Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2016 and the Reports of the Board of Directors and Auditors thereon.

#### **2. Adoption of Consolidated Financial Statements**

To consider and adopt the Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2016 and the Report of the Auditors thereon.

#### **3. Declaration of Dividend**

To declare dividend for the financial year ended 31<sup>st</sup> March, 2016.

#### **4. Appointment of Mr. C. P. Gurnani as a Director liable to retire by rotation**

To appoint a Director in place of Mr. C. P. Gurnani (DIN: 00018234), who retires by rotation and being eligible, offers himself for re-appointment.

#### **5. Appointment of Auditors**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, [Firm's Registration No. 117366W/W-100018] be appointed as Auditors of the Company, from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be determined by the Board of Directors."

### **Special Business:**

#### **6. Appointment of Mr. Vineet Nayyar as a Director**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** Mr. Vineet Nayyar (DIN: 00018243), who was appointed as an Additional Director of the Company by the Board of Directors and who ceases to hold office pursuant to Section 161 of the Companies

Act, 2013 and in respect of whom the Company has received a notice in writing proposing his candidature for the office of director, be appointed as a Director of the Company, liable to retire by rotation."

**7. Appointment of Mr. V. S. Parthasarathy as a Director**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** Mr. V. S. Parthasarathy (DIN: 00125299), who was appointed as an Additional Director of the Company by the Board of Directors and who ceases to hold office pursuant to Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing proposing his candidature for the office of director, be appointed as a Director of the Company, liable to retire by rotation."

**8. Adoption of new set of Articles of Association of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to such terms, conditions, amendments or modifications if any, as may be required or suggested by the Registrar of Companies and any other appropriate authorities, the alteration of the existing Articles of Association of the Company by substitution of the draft Articles of Association as submitted to this meeting, be and is hereby approved and adopted as the Articles of Association of the Company with effect from the date of this meeting."

**"RESOLVED FURTHER THAT** the Board of Directors and/or Company Secretary of the Company be authorized to do all acts, deeds, things and take all such steps including seeking necessary approvals as may be required to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

By Order of the Board  
For Tech Mahindra Limited

Place: Mumbai

Date: May 24, 2016

G. Jayaraman

Company Secretary

**Notes:**

- a. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, the 30<sup>th</sup> day of July 2016 to Tuesday, the 2<sup>nd</sup> day of August 2016 (both days inclusive) for the purpose of Annual General Meeting and payment of Dividend, to be declared.
  
- b. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY.**

- c. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the Meeting.
- d. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
- e. The Company's Registrar and Transfer Agents for its share registry work (Physical and Electronic) are Link Intime India Private Limited (RTA).
- f. Members can avail of the facility of nomination in respect of securities held by them in physical form pursuant to the provision of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed form duly filled-in to RTA. Members holding shares in electronic mode may contact their respective Depository Participant (DP) for availing this facility.
- g. Members are requested to -
  - a. intimate to the DP, changes if any, in their registered addresses and/or changes in their bank account details, if the shares are held in dematerialized form.
  - b. intimate to the Company's RTA, changes if any, in their registered addresses, in their bank account details, if the shares are held in physical form (share certificates).
  - c. consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.
  - d. dematerialize their Physical Shares to Electronic Form (Demat) to eliminate all risks associated with Physical Shares. Our Registrar and Transfer Agents viz., Link Intime India Private Limited, Pune (Tel. No. 020 26160084) may be contacted for assistance, if any, in this regard.
- h. The route map for the AGM Venue is provided on page no. 12 of this notice
- i. The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the Depositories for payment of dividend through Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion of/change in such bank details.
- j. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form who have not done so are requested to submit the PAN to their DP with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA.

- k. Members are requested to refer to the Corporate Governance Report for information in connection with the unpaid / unclaimed dividend liable to be transferred to Investor Education and Protection Fund (IEPF) administered by the Central Government.
- I. In order to save the natural resources Members are requested to register their e-mail address/addresses and Bank Account details with the Depository Participants, if the shares are held in dematerialized form and with the Company's Registrar and Transfer Agents, if the shares are held in physical form, in case you have not registered your email ids till now.

**m. Voting through electronic means:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

A member may exercise votes at any General Meeting by electronic means and Company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015.

During the e-voting period, members of the Company holding shares either in physical form or dematerialised form, as on the cut-off date i.e. Tuesday, 26<sup>th</sup> July, 2016, may cast their votes electronically.

The e-voting period commences at 9.00 A.M. IST on Thursday, 28<sup>th</sup> July, 2016 and ends at 5.00 P.M. IST on Monday, 1<sup>st</sup> August, 2016. The e-voting module shall be disabled by CDSL for voting thereafter.

Once the vote on a resolution is cast by a shareholder, the shareholder shall not be allowed to change it subsequently.

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.

A copy of this notice has been placed on the website of the Company ([www.techmahindra.com](http://www.techmahindra.com)) and the website of CDSL ([www.cdsindia.com](http://www.cdsindia.com)).

Mr. Jayavant B. Bhave, Practicing Company Secretary (FCS: 4266 CP: 3068) and Proprietor M/s. J B Bhave & Co., Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two

witnesses not in the employment of the Company and shall make, not later than 48 Hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and the National Stock Exchange of India Limited, Mumbai.

**The process and manner for remote e-voting are as under:**

- (i) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below :

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number which is printed on e-voting form.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the Depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

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

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

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

(xi) Click on the EVSN of Tech Mahindra Limited on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013**

**Item No. 6:**

Mr. Vineet Nayyar (DIN: 00018243), associated with the Company for more than a decade initially as Managing Director and subsequently as Executive Vice Chairman, has contributed immensely to the growth of the Company and has been instrumental in bringing the Company to its current status. Mr. Vineet Nayyar retired as Executive Vice Chairman on 9<sup>th</sup> August, 2015 on the expiry of his term. As your Board of Directors is of the opinion that your Company should continue to avail of the benefit of Mr. Nayyar's vast experience, expertise and knowledge, has appointed Mr. Vineet Nayyar as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 and Article 109 of the Articles of Association of the Company with effect from 10<sup>th</sup> August, 2015. He holds office up to the date of this Annual General Meeting.

A Notice along with a deposit of ₹ 1,00,000/- (Rupees One lac only) as required by Section 160(1) of the Companies Act, 2013 has been received from a member proposing the appointment of Mr. Vineet Nayyar as a Director of the Company.

The brief resume and other details of Mr. Vineet Nayyar as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to the Notice.

The Board commends this resolution for approval.

Except for Mr. Vineet Nayyar, who may be deemed to be interested in the resolution to the extent it deals with his appointment, none of the Directors or Key Managerial Personnel of the Company and their respective relatives are in any way, concerned or interested, in the said resolution.

**Item No. 7:**

The Board of Directors appointed Mr. V. S. Parthasarathy (DIN: 00125299), as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 and Article 109 of the Articles of Association of the Company with effect from 10<sup>th</sup> August, 2015. Mr. Parthasarathy is the Group CFO and Group CIO of Mahindra & Mahindra Ltd. He is also a member of the "Group Executive Board" of the Mahindra Group. He holds office up to the date of this Annual General Meeting.

A Notice along with a deposit of ₹ 1,00,000/- (Rupees one lac only) as required by Section 160(1) of the Companies Act, 2013 has been received from a member proposing the appointment of Mr. V. S. Parthasarathy as a Director of the Company.

The brief resume and other details of Mr. V. S. Parthasarathy as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to the Notice.

The Board commends this resolution for approval.

Except for Mr. V. S. Parthasarathy, who may be deemed to be interested in the resolution to the extent it deals with his appointment, none of the Directors or Key Managerial Personnel of the Company and their respective relatives are in any way, concerned or interested, in the said resolution.

**Item No. 8 :**

The existing Articles of Association (AOA) of the Company were framed at the time of formation of the Company in the year 1986 pursuant to the provisions of the erstwhile Companies Act, 1956. The Articles have been amended from time to time depending upon the need for changes in line with the regulatory/administrative requirements.

With the enactment of the Companies Act, 2013 (barring certain provisions), various provisions of the Companies Act, 1956 have been repealed and some new provisions have been added. In view of the same the existing Articles of Association of the Company need to be re-aligned as per the provisions of the Companies Act, 2013 and it is expedient to replace the existing Articles of Association of the Company.

Pursuant to the provisions of Section 14 of the Companies Act, 2013, the consent of the Members by way of Special Resolution is required for alteration of the existing Articles of Association by substitution of new set of Articles of Association of the Company.

The draft Articles of Association are available for inspection by the Members at the Registered office of the Company on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 A.M. IST to 1.00 P.M. IST upto the date of this Annual General Meeting and the same is also available on the Company's website [www.techmahindra.com](http://www.techmahindra.com).

The Board of Directors recommends the Special Resolution as set out at Item No. 8 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives are in any way, concerned or interested, in the said resolution.

By Order of the Board  
For Tech Mahindra Limited

Place: Mumbai  
Date: May 24, 2016

G. Jayaraman  
Company Secretary

**DETAILS PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IN RESPECT OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT.****Mr. C. P. Gurnani****Managing Director & CEO**

Mr. C. P. Gurnani (DIN: 00018234) (popularly known as 'CP' within his peer group), is the Managing Director and Chief Executive Officer of Tech Mahindra Limited.

An accomplished business leader with extensive experience in international business development, start-ups and turnarounds, joint ventures, mergers and acquisitions, CP led Tech Mahindra's transformation journey, and one of the biggest turnarounds of Indian Corporate History - the acquisition and merger of Satyam.

His inimitable style of leadership, combined with his sharp focus on customer experience has helped Tech Mahindra emerge as one of the leading digital IT solution providers of India.

In a career spanning 32 years, CP has held several leading positions with HCL Hewlett Packard Limited, Perot Systems (India) Limited and HCL Corporation Ltd. An outstanding people's manager, CP has an entrepreneurial style of management that is a blend of enthusiasm and dynamism. He tends to focus on people's strengths to bring out the best in them. 'Work hard and play hard' is his motto and he applies it to all aspects of his life with complete passion.

A chemical engineering graduate from the National Institute of Technology, Rourkela, he is a distinguished and active alumnus of the Institute.

CP has been chosen as the Ernst and Young 'Entrepreneur of the Year [Manager]', CNBC Asia's 'India Business Leader of the Year', Dataquest 'IT person of the Year' - for the year 2013 and Business Standard 'CEO of the Year' 2014. He was also recently awarded the 'Best CEO of the Year' at the Forbes India Leadership Awards 2015.

CP is appointed as Chairman of NASSCOM for the year 2016-17.

Mr. C. P. Gurnani is not related to any of the other directors of the Board.

Mr. C. P. Gurnani holds directorships/committee memberships in the following listed entities:

<b>S. No.</b>	<b>Name of the Company</b>	<b>Name of the Committee</b>	<b>Position in the Committee</b>
1	Dion Global Solutions Limited	Audit Committee	Member

## **Mr. Vineet Nayyar**

### **Vice Chairman**

Mr. Vineet Nayyar is the Vice Chairman of Tech Mahindra Limited.

Mr. Vineet Nayyar (DIN: 00018243), holds Master's degree in Development Economics from Williams College, Massachusetts.

An accomplished leader, he has led several organizations across industries, creating high performance teams and successful businesses. In a career spanning over 40 years, Mr. Vineet Nayyar has worked with the Government of India, international multilateral agencies and in the corporate sector (both public and private).

He started his career with the Indian Administrative Service and held a series of senior positions, including that of a District Magistrate, Secretary – Agriculture & Rural Development for the Government of Haryana and Director, Department of Economic Affairs, Government of India.

He also worked with the World Bank for over 10 years in a series of senior assignments, including successive terms as the Chief for the Energy, Infrastructure and the Finance Divisions for East Asia and Pacific.

He was also the founding Chairman and Managing Director of the state-owned Gas Authority of India and has served as the Managing Director of HCL Corporation Ltd., and as the Vice Chairman of HCL Technologies Ltd. He was also a co-founder and Chief Executive Officer of HCL Perot Systems.

Mr. Vineet Nayyar is not related to any of the other directors of the Board.

Mr. Vineet Nayyar holds directorships/committee memberships in the following listed entities:

<b>S. No.</b>	<b>Name of the Company</b>	<b>Name of the Committee</b>	<b>Position in the Committee</b>
1	The Great Eastern Shipping Company Limited	-	-
2	Mahindra Holidays and Resorts India Ltd	Remuneration Committee	Member

Mr. Vineet Nayyar holds 50,05,268 shares in the Company.

**Mr. V. S. Parthasarathy**

**Director**

Mr. V. S. Parthasarathy (DIN: 00125299) (fondly known as Partha) is a man with multiple thinking hats and a global leader. In his role as Group CFO & Group CIO of Mahindra & Mahindra Limited (M&M), he facilitates Mahindra Group in accomplishing its vision of 'being amongst the Top 50 most admired brands in the world'. He is a member of the think-tank of Mahindra Group's supervisory board called "Group Executive Board". He is on board of 15 group companies, and is also a member of the Global IT Customer Advisory Board of CISCO & APJ Customer Advisory Board of HP.

Partha started his career with Modi Xerox as a Management Trainee and before he joined Mahindra & Mahindra in 2000, he was the Associate Director at Xerox. At M&M, he spearheaded functions like Finance, HR, M&A, IT and International Operations before he was appointed CFO – M&M.

He has received many accolades and recognitions in the field of Finance.

Partha is focused on professional excellence, continuous learning and developing young talent within the Group. He is passionate about building team spirit and encouraging innovations. He enjoys public speaking and manages to make time for interactions in industry forums for F&A, M&A and IT.

Partha, holds a Bachelor's Degree in Commerce and is a fellow member of the Institute of Chartered Accountants of India. He is Harvard Alumni of Advanced Management Program - batch 2011. He has also been part of Mahindra Group's Senior Management team for Group strategy development, facilitated by Harvard Business School.

Mr. Parthasarathy is not related to any of the other directors of the Board.

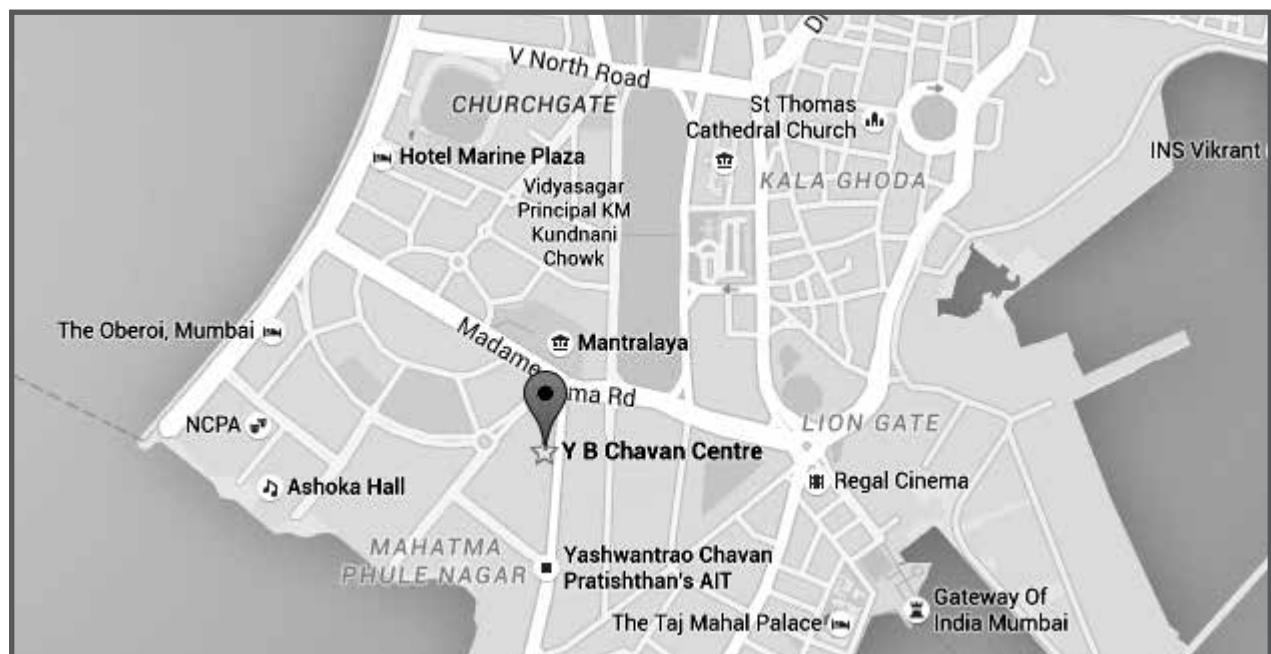
Mr. Parthasarathy holds directorships/committee memberships in the following listed entities:

<b>S. No.</b>	<b>Name of the Company</b>	<b>Name of the Committee</b>	<b>Position in the Committee</b>
1	Mahindra & Mahindra Financial Services Limited	Audit Committee	Member
		ALCO Committee	
		Strategy Committee for Acquisitions	
		Risk Management Committee	
2	Mahindra Holidays and Resorts India Ltd	Audit Committee	Member
		Stakeholders Relationship Committee	
		Risk Management Committee	
		Corporate Social Responsibility Committee	
		Committee of Directors – Investment	

Mr. V. S. Parthasarathy does not hold any shares in the Company.

## ROUTE MAP FOR ANNUAL GENERAL MEETING VENUE

**Y. B. Chavan Auditorium, Yashwantrao Chavan Pratishthan, General Jagannath Bhosle Marg, Nariman Point, Mumbai – 400 021**



# IN THE FUTURE

ANNUAL REPORT 2015-16

## TABLE OF CONTENTS

Corporate Information	01
Managing Director and Chief Executive Officer's Communique	02
Consolidated Financial Performance for Last Three Years	04
Directors' Report	05
Corporate Governance Report	47
Management Discussion and Analysis	59
Business Responsibility Report	71
Standalone Financials	81
Consolidated Financials	166

*Today is the future.*

*The world's NextGen IT solutions will be embedded into mobiles and machines. And the power to control them will be centered in ours. By 2020, 25% of traditional spend on legacy IT will be saved by going digital. 80% of the new spend will be around digital technologies and the overall digital tech spend will be 35%. Impact of digital is also seen in the way the work skills are changing. Hybrid jobs are the 'in-thing' and these require us to be flexible & ambidextrous and be able to learn, unlearn & relearn. Technology skills are so integral to every function today that lines are blurring between being a technologist and a functional expert.*

*The future will be a lot different; today is the future.*

*And we are connected to it.*

## **CORPORATE INFORMATION**

### **Board of Directors**

Mr. Anand G. Mahindra, Chairman  
 Mr. Vineet Nayyar, Vice Chairman  
 Mr. C. P. Gurnani, Managing Director & CEO  
 Mr. Anupam Puri  
 Mr. M. Damodaran  
 Mrs. M. Rajyalakshmi Rao  
 Mr. Ravindra Kulkarni  
 Mr. T. N. Manoharan  
 Mr. Ulhas N. Yargop  
 Mr. V. S. Parthasarathy

### **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 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. C. P. Gurnani
- Mr. Ulhas N. Yargop
- Mr. Vineet Nayyar
- Mr. V. S. Parthasarathy

#### **Securities Allotment Committee**

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

#### **Auditors**

Deloitte Haskins & Sells LLP  
 Chartered Accountants

## MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER'S COMMUNIQUE



**C. P. Gurnani**  
Managing Director and Chief Executive Officer

**Dear Shareholders,**

**Times are changing rapidly!**

The dynamic global business environment and changing political and economic conditions have kept all industries on their toes. The consequent impact on economic growth, exchange rates, commodities and investment climate has demonstrated that corporations will have to become increasingly agile and nimble in the new uncertain world.

All this volatility and change, however, has a silver lining. Every such change also creates new opportunities along with the new risks. Our investments in emerging markets and new technologies will enable us to capitalize on the new avenues of growth, while adequately managing risk and complexity as we pursue our objectives.

The future will bring a number of changes. By 2020, 80% of new investments will be in Digital. Traditional models will be challenged and the trend of "everything as a service" will strengthen. Companies who have

been able to successfully transform their business model and offerings will be able to survive and thrive.

Digitization is the use of digital technologies to change a business model and provide new revenue and value-producing opportunities. What is exciting for us as a company is that we are actually enabling this global digital revolution for businesses and society.

The second feature of this change is the ability to transform customer experience and interfaces across various businesses. The fallout of this is the increasing importance of the customer front-ending layer not just in terms of business functions and services it enables, but also in the way customers interact with businesses. As this change happens, the most important differentiation would come through Design: be it of the product, service, website or the application.

The other aspect of this change will be an increase in the number of devices, such as smartphone, tablets, or sensors. This trend is an accelerating trend which would result in an exponential increase in the volume of data generated. As companies around the world

try to analyze and monetize this Data about their customers, business or markets, it will create vast opportunities for us. Our ability to convert data into meaningful information will help drive decision-making for our clients.

As a step in this direction, last year we started on an organization wide transformation journey called **DIGITALL** which will see us build a new identity for ourselves – **from being an IT player to being recognized and respected as a Digital, Design and Data transformation (DT) partner by our stakeholders.** We are committed to making this initiative a grand success and are already progressing well with numerous key programs in this area.

#### **Delivering on our Commitment**

Our FY 2016 results have, in many ways told us that victory has always favoured the brave. We ended FY 2016 with a revenue of ₹ 26,494 crores, a growth of 17% and our profits after tax grew 19% to ₹ 3,118 crores.

We entered the year with a backdrop of a tough environment, especially in the Communications vertical, which had an impact on our profitability. We have done reasonably well during the year. From the quarter ended June 30, 2015, we have improved our EBITDA margin by 1.9 percent. With your unflinching support and faith in our abilities, we will continue to Rise by accepting no limits, thinking alternatively and by driving positive change.

During the previous year, we welcomed the iconic Italian design company, **Pininfarina** into our family. Pininfarina's legendary design skills complement Tech Mahindra's integrated engineering capabilities and we hope to create increased value to our combined customers.

While we are focussed on our customers and employees, I am proud of the strong social commitment demonstrated by your company. In addition to the various continuing initiatives in women and girl child education, we also launched India's first SMART Academy for Healthcare in New Delhi, which will train over 30,000 young women and men in the important field of allied healthcare by 2020.

Last but not the least, as we step into the future with new vision and ambitions, I want to thank all our stakeholders, our customers, our employees and our shareholders for their unstinting support and guidance. I look forward to yet another successful year and invite you to join us in our digital journey into the future.

Sincerely



C. P. Gurnani

Place: Mumbai  
Date: June 24, 2016

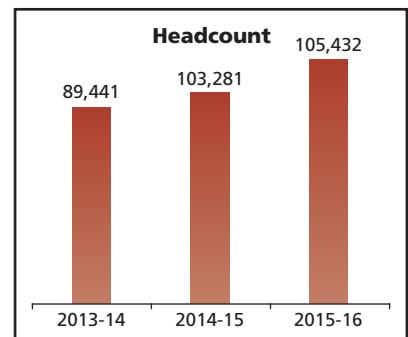
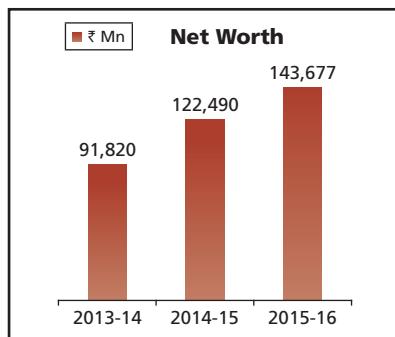
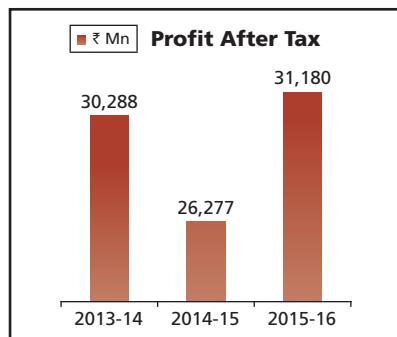
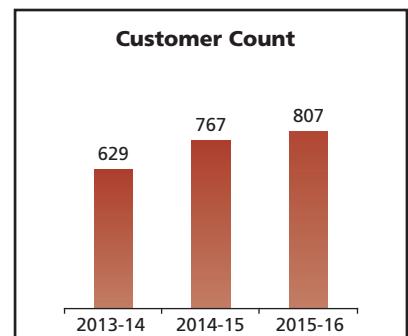
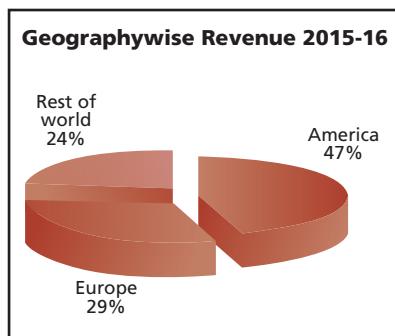
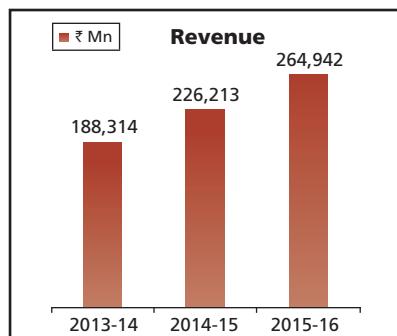
## CONSOLIDATED FINANCIAL PERFORMANCE FOR LAST THREE YEARS

Particulars	2013-14		2014-15		2015-16	
	₹ Mn	US\$ Mn	₹ Mn	US\$ Mn	₹ Mn	US\$ Mn
Revenue	188,314	3,098.2	226,213	3,686.2	264,942	4,037.5
Total Income	189,444	3,119.0	227,278	3,703.7	270,508	4,121.9
EBIDTA (Operating Profit)	41,838	687.1	41,921	681.7	43,184	657.7
PBIT	37,746	622.0	36,872	599.5	41,130	626.1
Interest	799	13.3	691	11.2	961	14.6
PBT	36,947	608.7	36,181	588.3	40,169	611.5
PAT before exceptional items and share of profit/(loss) in Associate	29,424	484.2	26,586	432.2	31,567	480.4
PAT	30,288	498.0	26,277	427.2	31,180	474.6
EBIDTA Margin %	22.2%	22.2%	18.5%	18.5%	16.3%	16.3%
PAT Margin %*	15.6%	15.6%	11.8%	11.7%	11.9%	11.9%
Equity Capital	2,335	39.0	4,804	76.9	4,839	73.0
Net Worth	91,820	1,532.4	122,490	1,960.0	143,677	2,168.5
Net Block Including CWIP	22,966	383.3	28,723	459.6	32,383	488.8
Investments	14,719	245.6	21,028	336.5	24,934	376.3
Current Assets	105,472	1,760.2	122,526	1,960.6	149,451	2,255.7
Current Liabilities & Provisions	45,749	763.5	57,086	913.5	69,560	1,049.9
Total Assets	159,396	2,660.1	198,481	3,175.9	235,070	3,548.0
Current Ratio	2.3	2.3	2.1	2.1	2.1	2.1
ROCE % #	43.0%	43.0%	32.8%	32.8%	29.0%	29.0%
EPS (Diluted, in ₹ and US\$) ^^	126.8	2.1	26.7	0.4	31.7	0.5

\* Before exceptional item and share of profit/(loss) in Associate

# ROCE% =PBIT/Average capital employed

^^ EPS for FY 15 is post issue of bonus shares in 1:1 ratio and split of one share of ₹ 10 into 2 shares of ₹ 5 each



## **DIRECTORS' REPORT**

Your Directors present their Twenty-Ninth Annual Report together with the audited accounts of your Company for the year ended March 31, 2016.

### **FINANCIAL RESULTS (STANDALONE)**

<b>For the year ended March 31</b>	<b>(₹ in Million)</b>	
	<b>2016</b>	<b>2015</b>
Income	<b>220,782</b>	192,872
Profit before Interest, Depreciation, exceptional items and tax	<b>45,221</b>	33,903
Interest	<b>(533)</b>	(479)
Depreciation	<b>(5,455)</b>	(4,733)
Profit before exceptional items and tax	<b>39,233</b>	28,692
Exceptional items	<b>-</b>	613
Profit Before Tax	<b>39,233</b>	29,305
Provision for taxation	<b>(7,033)</b>	(6,743)
Profit after tax	<b>32,200</b>	22,562
Balance brought forward from previous year	<b>63,559</b>	43,856
Adjustments on account of Amalgamation	<b>2,010</b>	1,140
Profit available for appropriation	<b>97,769</b>	67,558
Transfer from Debenture Redemption Reserve	<b>-</b>	2,972
Final Dividend Including tax*	<b>(7)</b>	(33)
Reversal of Provision for Tax on Dividend	<b>1,137</b>	-
Dividend (Proposed)	<b>(11,614)</b>	(5,765)
Tax on dividend	<b>(2,364)</b>	(1,173)
Transfer from General Reserve	<b>7,732</b>	-
Balance carried forward	<b>92,653</b>	63,559

\* In respect of equity shares issued pursuant to exercise of Stock Options after March 31, 2015 but before book closure period, the Company paid dividend of ₹ 5.5 Million for the year 2014-15 and tax on dividend thereto of ₹ 1.1 Million as approved by the shareholders at the Annual General Meeting held on July 28, 2015.

### **DIVIDEND**

Your Directors are pleased to recommend a dividend of ₹ 12/- per Equity Share (240%), payable to those Shareholders whose names appear in the Register of Members as on the Book Closure Date. The dividend includes an additional special dividend of ₹ 6/- per share to commemorate the 10<sup>th</sup> year of Company's listing on the stock exchanges.

### **SHARE CAPITAL**

During the year under review, your Company allotted 7,021,157 equity shares on the exercise of stock options under various Employee Stock Option Plans. Consequently the issued, subscribed and paid-up equity share capital has increased from ₹ 4,803.94 Million divided into 960,788,912 equity shares of ₹ 5/- each to ₹ 4,839.05 Million divided into 967,810,069 equity shares of ₹ 5/- each.

### **BUSINESS PERFORMANCE / FINANCIAL OVERVIEW**

The Company offers a bouquet of services which includes Telecom IT & Network Services, Consulting, Application Outsourcing, Infrastructure Outsourcing, Engineering Services, BPO, Platform Solutions and Mobile Value Added products and Services. With an impeccable track record of delivery and strong alliances with leading technology and product vendors, the Company serves more than 800 customers, including several of the Fortune 500 Companies.

In the fiscal year 2015-16 the Company's consolidated revenues increased to ₹ 264,942 Million from ₹ 226,213 Million in the previous year, a growth of 17.1%. The geographic split of revenue was balanced with 47% share of Americas, 29% share of Europe and 24% from Rest of the World.

The consolidated Profit before Interest, Depreciation, Tax and Exceptional Items was at ₹ 48,750 Million, against ₹ 42,987 Million in the previous year. The consolidated Profit After Tax, amounted to ₹ 31,180 Million as against ₹ 26,277 Million in the previous year. The number of customers increased from 767 in the previous year to 807 at the end of fiscal year 2015-16.

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. Tech Mahindra developed an integrated program 'BROP' (Building Relationships and Opportunities and Projects) program, which helps partner organizations and customers to succeed.

There are no material changes or commitments affecting the financial position of the Company between the end of the financial year and to the date of the report.

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 two wholly owned subsidiaries of the Company viz., Tech Mahindra BPO Limited and New vC Services Private Limited got amalgamated with the Company pursuant to the Scheme of Amalgamation (the "Scheme") sanctioned by the Honorable High Court of Bombay vide its order dated March 4, 2016. The Scheme came into effect on March 29, 2016, upon filing of the court order with the Registrar of Companies, Mumbai and pursuant thereto the entire business and all the assets and liabilities, duties, taxes and obligations of both the transferor companies have been transferred to and vested in the Company from the appointed date i.e., April 1, 2015.

During the year under review, Mahindra Engineering GmbH, a wholly owned subsidiary of the Company, got amalgamated with Tech Mahindra GmbH another wholly owned subsidiary of your Company in Germany.

## ACQUISITIONS

During the year, your Company and Mahindra & Mahindra Limited (M&M), have jointly entered into an agreement with Pincar S.r.l., to purchase a

controlling stake in Pininfarina S.p.A., an iconic 85 year old legendary Italian styling brand associated among others with Ferrari, Alfa Romeo and Peugeot. The acquisition will complement existing engineering capability of the Company with High-end styling and Engineering Services. As part of the agreement, Tech Mahindra and M&M shall purchase 76.06% of Pininfarina shares from the current controlling shareholder Pincar S.r.l. at a price of Euro 1.1 per share through a Special Purpose Vehicle (SPV), the ownership of which will be with your Company and M&M in the ratio of 60:40. The SPV would also make an open offer to the public shareholders of Pininfarina for the balance 23.94% stake at the same price. The SPV will infuse further funds into Pininfarina by way of Rights issue. Pininfarina will continue to remain an independent Company, listed on the Milan Stock Exchange, with Mr. Paolo Pininfarina continuing as the Chairman of its board.

## DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES

As on March 31, 2016, your Company has 148 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 its share in Associate Company as a single entity, after elimination of minority interest.

The performance and financial position of 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.

The policy for determining Material Subsidiaries formulated by the Board of Directors is disclosed on the Company's website and is accessible on [http://www.techmahindra.com/investors/corporate\\_governance.aspx](http://www.techmahindra.com/investors/corporate_governance.aspx)

## **HUMAN RESOURCES**

Your Company believes that while Technology can enable processes but it is People who actually make things happen. In a journey of delivering tangible business value to stakeholders, Associates are envisioned as a strategic differentiator for the Company. Tech Mahindra's Employee Value Proposition - Freedom to Explore: Connect, Co-Create and Celebrate – is at the core of its people practices and policies.

Tech Mahindra nurtures globally competitive professionals through robust training programs enabling continuous learning for the Associates. The Company also enables young achievers to demonstrate their leadership skills and strategic thought process through focused early leadership programs like Young CEO, 1000 Leaders, Shadow Board, Global Leadership Cadre (GLC) and Achievers in the Making (AIM). As a reflection on the sustained efforts and initiatives undertaken by the learning and career development teams, your Company was ranked No.14 globally at the Training Top 125<sup>1</sup> awards – the top rank among all IT organizations worldwide and all Indian organizations across sectors.

Your Company promotes an empowered and collaborative work environment where leaders stay engaged with the Associates and encourage them to challenge conventional thinking. Through the Intrapreneurship Program, Associates have the opportunity to pursue their business ideas and commercialize them with support from mentors and resources from your Company. Your Company also has a comprehensive reward program that appreciates individuals and teams at the unit, functional and organizational levels. Your Company's Knowledge Management program is one of the best in the

industry and the Company was conferred with the ASIAN Knowledge Management MAKE (Most Admired Knowledge Enterprise) Award in 2015. Similarly, the social Intranet portal, MyBeatPlus, fosters connecting, co-creating and celebrating within the organization, and was awarded the "Best Marketing Idea Award" at The Great Indian IT Marketing Summit.

Your Company is committed to providing a holistic employment experience to Associates with the flexibility to balance both professional and personal commitments. The comprehensive Wealth of Wellness (WoW) offerings enhance physical, mental, emotional and spiritual wellbeing of the Associates. The Company was ranked 2<sup>nd</sup> in the country for Wellness practices at Chestnut Global Partner's Employee Health and Wellness Ranking 2015. There is a significant focus on creating a fun-filled, high energy work environment where personal milestones, organizational successes and special occasions are celebrated with fervour and enthusiasm involving not just Associates but also their families.

During the year under review, Tech Mahindra's people practices, policies and programs have been awarded in various external forums representing members from not just the Information Technology industry but the entire spectrum of the corporate world.

Tech Mahindra won 4 Awards at the Society for Human Resources Management (SHRM) India Annual Awards 2015:

- ✓ Winner of Excellence in Social Media People Practices
- ✓ Winner of Excellence in Developing Leaders of Tomorrow
- ✓ Winner of Excellence in Community Impact
- ✓ Runners Up in Employee Health and Wellness Practices

Tech Mahindra was also recognized as one amongst the Top 3 in the country for its People Practices at the Business World HR Excellence Awards 2015 apart from being awarded the Change Champion Award.

These awards and recognitions have positioned Tech Mahindra as an organization that puts people first, delivers future focused excellence in the field of People Management and recognizes the importance of human capital as a key driver of business growth.

<sup>1</sup> Training Top 125 is a premier US based learning industry award. Award winners are organizations with the most successful learning and development programs in the world.

## QUALITY

Your Company continues its focus on quality and strives to exceed customer expectations at all times. It is certified under various standards to meet client demands and enhance value delivery - Successfully assessed at **CMMI Dev & SVC V1.3 L5, TMMi L5, TL9K, ISO 9001:2008, ISO 20000:2011, ISO 27001: 2013, ISO 13485, Auto Spice, AS9100:2009** (Standard for Aerospace domain – scope of certification limited to the aerospace business within Tech Mahindra). In addition to these, your Company 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 has processes that will help resume services to customers' 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.

Tech Mahindra (IT Division) has emerged as the 'organization with highest maturity of business excellence practices' at Mahindra Group (Services Sector). It has been assessed at TMW Maturity Stage 6 (on scale of 1-10 stages) of Mahindra Business Excellence Framework – **The Mahindra Way**.

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 Practices for transforming Quality Assurance processes to Delivery Assurance processes with focus on Product Assurance and Architecture Assurance; these are measured and monitored through various indices. 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 we deliver to the customers, thereby achieve better Customer satisfaction. Your Company is putting all the initiatives in place in order to ensure we deliver as stated in Quality Policy.

## DIRECTORS

During the year under review, Mr. Vineet Nayyar Executive Vice Chairman of the Company retired on August 09, 2015 and the Board thought it appropriate that the Company should continue to avail the benefit of Mr. Nayyar's vast experience and expertise. Accordingly, your Board of Directors approved the recommendation of the Nomination and Remuneration Committee of the Board (the Committee) and appointed Mr. Vineet Nayyar as an Additional Director and designated him as Vice Chairman of the Company with effect from August 10, 2015. Mr. Nayyar has been associated with the Company for more than a decade - initially as Managing Director and subsequently as Executive Vice Chairman. Mr. Nayyar has contributed immensely to the growth of the Company and has been instrumental in bringing the Company to its current status.

Further, the Board considered the recommendation of the Committee and appointed Mr. V. S. Parthasarathy, who is the Group CFO & Group CIO of Mahindra & Mahindra Ltd. and member of the Group Executive Board, as an Additional Director with effect from August 10, 2015.

The approval of the Members is sought for appointment of Mr. Vineet Nayyar (DIN: 00018243) and Mr. V. S. Parthasarathy (DIN: 00125299) as Directors of the Company, liable to retire by rotation.

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 Regulation 16 (1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Section 152 (6) (c) of the Companies Act, 2013, Mr. C. P. Gurnani, Director (DIN: 00018234) is liable to retire by rotation and offers himself for reappointment.

## Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has devised a policy on evaluation of performance of Board of Directors, Committees and Individual directors. This policy is also in compliance to Regulation 19 read with Schedule II, Part D of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, the Chairman of the Nomination and Remuneration Committee obtained from all the

board members duly filled in evaluation forms 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, 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.

#### **Key Managerial Personnel (KMPs)**

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Mr. C. P. Gurnani, Managing Director & Chief Executive Officer, Mr. Milind Kulkarni, Chief Financial Officer and Mr. G. Jayaraman, Company Secretary & Chief Compliance Officer are the Key Managerial Personnel of the Company.

During the year under review, Mr. Vineet Nayyar ceased to be Key Managerial Personnel of the Company with effect from August 10, 2015 consequent to his retirement from the position of Executive Vice Chairman.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors, based on the representation(s) 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 March 31, 2016 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, [Firm's Registration No. 117366W/W-100018] the Auditors of your Company, hold office upto the conclusion of the forthcoming Annual General Meeting (AGM) 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. There are no qualifications, reservation or adverse remark or disclaimer made in the audit report for the Financial Year 2015-16.

## **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 are provided as "**Annexure V**".

None of the directors or Managing Director of the Company, received any remuneration or commission from Subsidiary Companies 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 aforesaid information. Any shareholder interested in obtaining said information, may write to the Company Secretary at the Registered Office / Corporate Office of the Company and the

said information is available for inspection at the Registered 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**

During the year under review, there were no material changes in the Employee Stock Option Plans (ESOPs) of the Company and the Schemes are in compliance with the SEBI Regulations on ESOPs. As per Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 read with SEBI circular dated June 16, 2015 the details of the ESOPs are uploaded on the Company's website <http://www.techmahindra.com/sites/ResourceCenter/brochures/investors/corporategovernance/Details-of-ESOPs.pdf>.

## **CORPORATE GOVERNANCE**

A report on Corporate Governance covering amongst others, composition, details of meetings of the Board and Committees along with a certificate for compliance with the conditions of Corporate Governance issued by the Statutory Auditors of the Company, in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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**

The Risk Management Committee of the Board of Directors periodically reviews the Risk Management framework, identified risks with criticality and mitigation plan. The elements of risk as identified for the Company with impact and mitigation strategy are set out in the Management Discussion and Analysis Report.

## **ESTABLISHMENT OF VIGIL MECHANISM**

Your Company has laid down Whistle Blower Policy covering Vigil Mechanism with protective Clauses for

the Whistle Blowers. 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 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 Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year were in the ordinary course of business and are at an arm's length 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 Regulation 23 of the Listing Regulations. 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 <http://www.techmahindra.com/sites/ResourceCenter/Brochures/investors/corporategovernance/RPTPolicyAmended.pdf>.

The particulars of Related Party Transactions in prescribed Form AOC - 2 are attached as "**Annexure VI**".

#### **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 VII**" 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 the CSR Policy, covering the Objectives, Focus Areas, Governance Structure and Monitoring & Reporting Framework among others. 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 of erstwhile Companies Act, 1956, 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 conducted 160+ high-impact projects with 90+ partners, reaching out to 150,000+ 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 60+ 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 as a programme for enhancing capacity of government school teachers, has taken rapid strides during the year. TMF has been working with the East Delhi Municipal Corporation to manage its In-Service Teacher Education Institute (ITEI), where teachers from nearly 400 primary schools receive quality training on a regular basis.

##### **Shiksha Samvardhan:**

Shiksha Samvardhan, 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 first SMART Academy for Healthcare in Delhi. The Academy will closely engage with the industry stalwarts for constant curriculum upgradation and placement.

During the year under review, your Company trained ~16,000 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 (MEI)**

#### **Technical Education**

Your Company's initiatives in technical education are carried out through Mahindra Educational Institutions (MEI), under which the Institution 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 VIII**".

### **SUSTAINABILITY**

Your company believes that responsible business can be possible only when aligned to sustainable development. Thus the Company concentrated its efforts on leveraging Sustainability as a core aspect when implementing strategies across all dimensions-social, economic and environmental. The focus on next generation solutions, attracting and retaining the right talent and identifying the environmental goals ensure that company adheres to a business strategy that impacts positively and creates a sustainable value for all its stakeholders. Your company's current rankings in Sustainability indices affirm its efforts and validate the decision in aligning business with sustainability. With its sustainable development efforts remaining an unchanging priority, your Company is now looking at a future that is economically viable, environmentally friendly and socially just.

Tech Mahindra has been part of the Sustainability movement within the M&M Group and had been earlier reporting its sustainability performance in the Mahindra Group Sustainability Report. Since 2013-14, your Company has been highlighting the Sustainability performance in stand-alone Tech Mahindra Sustainability reports. The performance for both years has been externally assured by KPMG in accordance with the latest guidelines of the internationally accepted, Global Reporting Initiative (GRI). The detailed reports can be accessed at <http://www.techmahindra.com/company/Sustainability.aspx>.

The focused efforts of your Company ensured that it has done well in the 3-year targets taken for critical material issues identified in its business operations. Your Company is now in the process of mapping out the next 3-year roadmap with more emphasis on carbon emissions, carbon pricing and becoming carbon neutral.

The Company's responsibilities and emphasis on its green eco-system is seen through the various energy, water and waste reduction initiatives that have helped cut down the carbon emissions. The Company insistence on associates following 4Ps- Pedal, Paidal, Pool and Public transport have also highlighted the importance of reducing pollution and being environmentally friendly. The Green Marshals at TechM, a small band of passionate associates spearhead the cause of environment and advocate sustainability across the organisation. The customers were helped by

the Company to realize their sustainability objectives through its spectrum of services such as SMART cities solutions, Mobility, Cloud based solutions, platforms, data center consolidation services, MICRO Grid and Energy Management Services. We have ensured that we attract, mentor and retain the best talent through effecting an assured career development path and a feasible work-life balance.

The recent leadership position across platforms such as DJSI, CDP and CSR NewsAsia Rankings 2015, affirm its efforts and organizational strategy on sustainability. The highlights for the year 2015-16 have been in the following areas:

- Installation of 4277 Occupancy sensors across Pune, Hyderabad, Noida, Chennai & Bhubaneshwar led to reduced electricity consumption of 1159067 kWh & Carbon Emission Savings of 950.43 MTCO2.
- Ergonomics, Yoga and Wealth of Wellness initiative for associate well being.
- Successful commissioning of solar plants with a capacity of 1928 kWp at Chennai and Hyderabad. The overall capacity of Solar plants is now 2442kWp and the plants generated 2232875 units of Green power and Carbon Emission Savings of 1830.95 MTCO2.
- Participation and merit inclusion in Carbon Disclosure Project 2015 and Dow Jones Sustainability Index 2015.
- 121348 Kg of E-waste disposed through government authorized certified vendors for recycling.
- Sewage Treatment Plants across 8 locations helped recycle and reuse 405139.2 KI of water.
- Recycling of wet waste through vermicompost yielded 53.7 tons of manure which was used for landscaping.
- Green procurement of 2353 Laptops & 4795 Desktops helped save 607296 kWh of electricity & Carbon Emission Savings of 497.98 MTCO2.
- Reduction of Carbon emissions Scope 1 & 2 by 4.32% since base year FY 2012-13.

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Business Responsibility Report is attached and forms part of this Annual Report.

## **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. Mr. C. P. Gurnani, Managing Director & Chief Executive Officer was awarded the Best CEO of the Year Award at Forbes India Leadership Awards 2015. The awards / recognitions received by the Company during the year 2015-16 include:

- Golden Peacock Award in Innovation
- National Award for Supply Chain and Logistics Excellence
- ISG UK & Ireland Paragon Award for Collaboration
- Indo American Corporate Excellence Award for Excellence in CSR
- European IT Excellence Awards
- Dow Jones Sustainability Index under both emerging Markets and DJSI world Category
- Golden Peacock Award for Risk Management
- Deloitte Tech Fast 50 India 2015 Program
- Forbes 100 Middle East - Global meets Local 2015 Award
- Golden Peacock HR Excellence Award for Outstanding People Management Practices
- ET Telecom Awards for Cloud Technology

## **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 24, 2016

Anand G. Mahindra  
Chairman

## ANNEXURE I

## ENTITIES FORMED / ACQUIRED AND CEASED DURING THE FINANCIAL YEAR 2015-16

## 1. Subsidiaries formed/acquired :

Sr. No.	Name of the Company
1	Tapio Inc
2	NTH Dimension Ltd
3	Tech Mahindra Arabia Limited
4	Tech Mahindra Growth Factories Limited
5	Tech Mahindra France SAS
6	Tech Mahindra Netherlands B.V.
7	Comviva Technologies B.V.
8	Terra Payment Services South Africa (Pty) Ltd
9	Terra Payment Services (Netherlands) BV
10	Mobex Money Transfer Services Limited
11	Terrapay Services (UK) Limited
12	ATS Advanced Technology Solutions S A
13	ATS Advanced Technology Solutions do Brasil Industria Comercio, Importacao e Exportacao Ltda
14	Terra Payment Services (Uganda) Limited
15	Terra Payment Services (Tanzania) Limited

## 2. Subsidiaries Ceased :

Sr. No.	Name of the Company
1	Tech Mahindra BPO Limited
2	Satyam Colombia Servicios DE Informatica SAS
3	Satyam Computer Services (Egypt) S. A. E.
4	New vC Services Private Limited
5	Mahindra Engineering GmbH
6	LCC Wireless Services Canada, Inc
7	Leadcom Integrated Solutions USA Inc.
8	Leadcom Telecommunicaciones de Chile S.A.
9	LCC Middle East Holdings, B.V.
10	Burgundy Holding Corporation
11	LCC Wireless Design Services Inc
12	Wireless Facilities International, Ltd.
13	LCC Diseno y Servicios Chile
14	LCC Colombia Ltda

## 3. Joint Ventures / Associate Companies :

Sr. No.	Name of the Company
A	<b>Formed / Acquired:</b>
	IQS Information Solutions WLL
B	<b>Ceased:</b>
	Nil

**ANNEXURE II****POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTORS, KMPs AND SENIOR MANAGEMENT****Directors**

The Nomination & Remuneration Committee (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 / the NRC / VC / 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 MD & CEO. The HR will facilitate in identifying the candidates internally or externally. NRC will consider the candidates proposed by the 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 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 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 of 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 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 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.

The remuneration for the Senior Management Personnel shall be proposed by CPO, approved by MD & CEO, and reported to NRC periodically.

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 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 24, 2016

Anand G. Mahindra

Chairman

**ANNEXURE III**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

*[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 by the Company 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 31 March 2016 ('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 2016 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 erstwhile Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during the Audit Period**);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (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:

- (a) The Information Technology Act, 2000, and
- (b) 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, effective from 1 July 2015.
- (ii) The erstwhile Listing Agreement entered into by the Company with stock exchanges and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from 1 December 2015.

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 Scheme of Amalgamation of Tech Mahindra BPO Limited and New vC Services Private Limited with Tech Mahindra Limited, was approved by the Board of Directors of the Company on 26 May 2015, which was approved by the Hon'ble High Court of Bombay vide orders dated 4 March 2016 and the same were filed by the Company with the Registrar of Companies, Mumbai, on 29 March 2016.

Place: Pune

Date: May 24, 2016

Dr. K. R. Chandratre

FCS No. 1370, C P No: 5144

**ANNEXURE IV**

**FORM NO. MGT-9**

EXTRACT OF ANNUAL RETURN  
as on the financial year ended on March 31, 2016

[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, 2 <sup>nd</sup> 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:*

Sr. 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	620	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name of the Company	Registered 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. 7 <sup>th</sup> Street, Suite 620, Austin, TX 78701 USA	-	Subsidiary	100	2(87)
3	Tapio Inc	2711 CENTERVILLE ROAD SUITE 400 WILMINGTON New Castle, 19808	-	Subsidiary	100	2(87)
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)

Sr. No.	Name of the Company	Registered 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	73.9	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	73.9	2(87)
8	Tech Mahindra GmbH	Grafenberger Allee 277-287, Entrance 'C', 4 <sup>th</sup> Floor, 40237 Dusseldorf, 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	Albertgasse 35, 1080 Vienna, Austria	-	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, 13 <sup>th</sup> 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 4 <sup>th</sup> 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 BlockC, 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, 3 <sup>rd</sup> 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	Tech Mahindra South Africa (Pty) Limited	56 Keree Drive, Walton Road, Carlswald, Gauteng 1685	-	Subsidiary	51	2(87)

<b>Sr. No.</b>	<b>Name of the Company</b>	<b>Registered Address</b>	<b>CIN/GLN</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>(%) shares held</b>	<b>Applicable Section</b>
21	Tech Mahindra BPO Limited***	Wing 1, Oberoi Garden Estate, Chadivalli, Andheri (E), Mumbai-400072	U72900MH2002PLC254736	Subsidiary	100	2(87)
22	Tech Mahindra (Shanghai) Co Ltd	Suite 23102, 23104, 23204, Pudong Software Park, No. 498 Guoshoujing Road, Zhangjiang Hitech, Park, Shanghai	-	Subsidiary	100	2(87)
23	Tech Mahindra (Nanjing) Co. Ltd	Suite 413-246, Business Building, Nanjing Hightech Industry Developing Zone, Nanjing	-	Subsidiary	100	2(87)
24	Tech Mahindra Technologies, Inc.	1220 N., Market Street, # 806, Wilmington 19801, Delaware	-	Subsidiary	100	2(87)
25	Citisoft Plc.,	1 Frederick's Place, Old Jewry, London EC2R 8AE	-	Subsidiary	100	2(87)
26	Citisoft Inc.,	343 Congress Street, Boston, MA 02210	-	Subsidiary	100	2(87)
27	Tech Mahindra Servicos De Informatica Ltda	Rua Quintana, 887, 12 <sup>th</sup> Floor, Brooklin Novo, Suite 121, Sao paulo, SP CEP 04569-011	-	Subsidiary	100	2(87)
28	Satyam Colombia Servicios DE Informatica SAS*	K R 46 93 84 – Bogota – Colombia	-	Subsidiary	100	2(87)
29	Complex IT Solution 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)
30	Tech Mahindra 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)
31	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)
32	Satyam Venture Engineering Services Private Limited	1-8-301-306, 3 <sup>rd</sup> Floor, Ashoka Myhome Chambers, S.P. Road, Secunderabad, Telangana, India – 500 003	U72200AP2000PTC033213	Subsidiary	50	2(87)
33	Satyam Venture Engineering Services (Shanghai) Co Limited	Room 2202, building B. No. 2 Nong 1883, South Huicheng Rd, Industry zoom, Jiading, Shanghai	-	Subsidiary	50	2(87)
34	Satven GmbH	Leopoldstr. 244, 80807 Munchen Germany	-	Subsidiary	50	2(87)
35	New vC Services Private Limited***	Wing 1, Oberoi Garden Estate, Chadivalli, Andheri (E), Mumbai-400072	U74140MH2003PTC254737	Subsidiary	100	2(87)
36	vCustomer Philippines Inc.,	3/F eCommerce Plaza, Eastwood Cyberpark, Bagumbayan, Quezon City, Philippines	-	Subsidiary	100	2(87)

Sr. No.	Name of the Company	Registered Address	CIN/GLN	Holding/ Subsidiary/ Associate	(%) shares held	Applicable Section
37	vCustomer Philippines(Cebu), Inc.	4 <sup>th</sup> Floor, JESA Building, 90 General Maxllo Ave., Cebu City, Philippines	-	Subsidiary	100	2(87)
38	Mahindra Engineering GmbH**	Leonardo-da-Vinci- Allee 3, 60486 Frankfurt am Main Germany	-	Subsidiary	100	2(87)
39	Mahindra Engineering Services (Europe) Limited	Attrium Court,The Ring Bracknell Berkshire RG 12 1BW	-	Subsidiary	100	2(87)
40	Mahindra Technologies Services Inc	101 W Big Beaver, 14 th Floor, Troy, Michigan 48084	-	Subsidiary	100	2(87)
41	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)
42	NTH Dimension Ltd	1 <sup>st</sup> Floor, Charles Schwab Building, 401, Grafton Gate (E), Milton Keynes MK9 1AQ. UK	-	Subsidiary	86.50	2(87)
43	Tech Mahindra Arabia Limited	12 <sup>th</sup> Floor, Al - Hugyat Towers, Al Khobar 31952, Kingdom of Saudi Arabia	-	Subsidiary	51	2(87)
44	Tech Mahindra Growth Factories Limited	W-1, Oberoi Estate Gardens, Off Saki Vihar Road, Next Chandivali Studio, Chandivali, Sakinaka, Mumbai - 400072, Maharashtra, India	U72200MH2015PLC269129	Subsidiary	100	2(87)
45	Tech Mahindra France SAS	17 Avenue Georges V 75008 Paris	-	Subsidiary	100	2(87)
46	Tech Mahindra Netherlands B.V.	2516 CK The Hague, Maanplein 7, Building 4, The Netherlands	-	Subsidiary	100	2(87)
47	Comviva Technologies Limited	A-26, Info City, Sector - 34, Gurgaon, Haryana – 122001	U72200HR1999PLC041214	Subsidiary	67.12	2(87)
48	Comviva Technologies Inc.	1411, Sawgrass Corporate Parkway, Ste B, Sunrise, FL33323-2888, USA	-	Subsidiary	67.12	2(87)
49	Comviva Technologies Nigeria Limited	376, Ikorodu Road, (Kresta Laurel Complex), 4 <sup>th</sup> Floor, Maryland, Lagos, Nigeria	-	Subsidiary	67.12	2(87)
50	Hedonmark (Management Services) Limited	NCR Building 8 <sup>th</sup> Fl,6 Broad Street,Lagos,PO Box 4706,Apapa	-	Subsidiary	50.34	2(87)
51	Comviva Technologies Singapore Pte. Ltd	180B, Bencoolen Street, #12-05, The Bencoolen, Singapore 189648	-	Subsidiary	67.12	2(87)
52	Comviva Technologies FZ-LLC	Office # 240, Building #16, 2 <sup>nd</sup> Floor, Dubai Internet City, Dubai, UAE	-	Subsidiary	67.12	2(87)
53	Comviva Technologies B.V.	Overschieistraat 65, 1062 XD Amsterdam, The Netherlands	-	Subsidiary	67.12	2(87)
54	Terra Payment Services South Africa (Pty) Ltd	104 Suite Lupin House,101 DR R D Naidu Drive,Asherville Durban-4091,KZN	-	Subsidiary	67.12	2(87)

<b>Sr. No.</b>	<b>Name of the Company</b>	<b>Registered Address</b>	<b>CIN/GLN</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>(%) shares held</b>	<b>Applicable Section</b>
55	Terra Payment Services (Netherlands) BV	Overschiestraat 65, 1062 XD Amsterdam, The Netherlands	-	Subsidiary	67.12	2(87)
56	Mobex Money Transfer Services Limited	James ngalawa Mutiso PO Box 214-00621, Village Market, Nairobi Kenya	-	Subsidiary	67.12	2(87)
57	Terrapay Services (UK) Limited	Cyber House, Molly Millars Lane, Wokingham, Berkshire, RG41 2PX, UK	-	Subsidiary	67.12	2(87)
58	ATS Advanced Technology Solutions S A	Av. Corrientes 880, 11 <sup>th</sup> Floor City of Buenos Aires Argentina	-	Subsidiary	67.12	2(87)
59	ATS Advanced Technology Solutions do Brasil Industria Comercio, Importacao e Exportacao Ltda	Alameda Santos, 2441 - 2o andar, Bairro Cerqueira Cesar, CEP 01.419-002, na Cidade e Estado Sao Paulo	-	Subsidiary	67.12	2(87)
60	Terra Payment Services (Uganda) Limited	Arcadia Advocates, Acacia Place, 3 <sup>rd</sup> Floor, Plot 6, Acacia Avenue, P O Box 28987, Kampala, Uganda	-	Subsidiary	67.12	2(87)
61	Terra Payment Services (Tanzania) Limited	Law Associates (Advocates), CRDB Building 6 <sup>th</sup> Floor, Azikiwe Street P.O Box 11133, Dar es Salaam, Tanzania	-	Subsidiary	67.12	2(87)
62	Sofgen Holdings Limited	Arch. Makariou III, 229 Meliza Court, 4 <sup>th</sup> floor P.C. 3105 Limassol (Cyprus)	-	Subsidiary	100	2(87)
63	Sofgen Americas Inc	99, Washington Avenue Suite 1008 Albany, NY 12260 – USA	-	Subsidiary	100	2(87)
64	Sofgen Services Limited	Arch. Makariou III, 229 Meliza Court, 4 <sup>th</sup> floor P.C. 3105 Limassol – Cyprus	-	Subsidiary	100	2(87)
65	Sofgen Limited	Arch. Makariou III, 229 Meliza Court, 4 <sup>th</sup> floor P.C. 3105 Limassol – Cyprus	-	Subsidiary	100	2(87)
66	Sofgen (UK) Limited	Cheyne House 2, Crown Court 62-63 London EC2V 6JP UK	-	Subsidiary	100	2(87)
67	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)
68	Sofgen Luxembourg SARL	6, Place de Nancy L-2212 Luxembourg	-	Subsidiary	100	2(87)
69	Sofgen Ireland Limited	Century House Harold's Cross Road Dublin 6W - Ireland	-	Subsidiary	100	2(87)
70	Sofgen SA	50 Shirley Street Shirley House PO Box N-624 Nassau – Bahamas	-	Subsidiary	100	2(87)
71	Sofgen Consulting AG	Löwenstrasse 20 8001 Zürich – Switzerland	-	Subsidiary	100	2(87)
72	Sofgen SaveTax S.A	Rue de Lyon, 105 1203 Geneve – Switzerland	-	Subsidiary	100	2(87)

Sr. No.	Name of the Company	Registered Address	CIN/GLN	Holding/ Subsidiary/ Associate	(%) shares held	Applicable Section
73	Sofgen SA	Rue de Lyon, 105 c/o SOFGEN Savetax SA 1203 Geneve - Switzerland	-	Subsidiary	100	2(87)
74	Sofgen Africa Limited	Kalamu House, Waiyaki Way Westlands, PO Box 47323-00100 Nairobi, Kenya – Africa	-	Subsidiary	100	2(87)
75	Sofgen West Africa Limited	10 Notei Abadio Street Airport Residential Area DTD 78 Cantonments Accra, Ghana – Africa	-	Subsidiary	100	2(87)
76	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 – India	U72900TN2001PTC047964	Subsidiary	100	2(87)
77	Sofgen Sdn Bhd	39-8, The Boulevard Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur - Malaysia	-	Subsidiary	100	2(87)
78	Sofgen Services Pte. Ltd.	80 Raffles Place Level 35 UOB Plaza 1 Singapore 048624	-	Subsidiary	100	2(87)
79	Sofgen Australia Pty Limited	39 the Mall South Hurstville NSW 2221 Australia	-	Subsidiary	100	2(87)
80	Lightbridge Communications Corporation	1934 Old Gallows Rd, #410, Vienna VA 22182	-	Subsidiary	100	2(87)
81	Lightbridge North America Holdings, Inc.	7900 Westfields Blvd, Suite 300A, McLean, VA 22102	-	Subsidiary	100	2(87)
82	LCC Wireless Services Canada, Inc*	160 Elgin Street, Suite 2600, Ottawa Ontario Canada K1P 1C3	-	Subsidiary	100	2(87)
83	LCC Deployment Services Inc	7900 Westpark Dr, Suite T-700 McLean VA 22102 - USA	-	Subsidiary	100	2(87)
84	LCC International, Inc.	7900 Westfields Blvd, Suite 300A, McLean, VA 22102	-	Subsidiary	100	2(87)
85	LCC Wireless Services, Inc.	7900 Westfields Blvd, Suite 300A, McLean, VA 22102	-	Subsidiary	100	2(87)
86	LCC Design Services, Inc.	7900 Westfields Blvd, Suite 300A, McLean, VA 22102	-	Subsidiary	100	2(87)
87	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)
88	LCC Service Belgium NV	Leuvensesteenweg 555 1930 Zaventem. Belgium	-	Subsidiary	100	2(87)
89	LCC France SARL	410 Clos de la Courtine 93160 Noisy-Le-Grand France	-	Subsidiary	100	2(87)
90	LCC Telecom GMBH	Neumannstrasse 2 40235 Dusseldorf	-	Subsidiary	95	2(87)
91	LCC Design and Deployment Services Ltd.	1 Danais & Perikleous St 15344 Gerakas	-	Subsidiary	100	2(87)
92	LCC Italia s.r.l.	Via Bernardino Alimena, 111 00173 Roma, Italy	-	Subsidiary	100	2(87)

<b>Sr. No.</b>	<b>Name of the Company</b>	<b>Registered Address</b>	<b>CIN/GLN</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>(%) shares held</b>	<b>Applicable Section</b>
93	LCC Network Services, B.V.	Ruwekampweg 4, Postbus 2206, 5202 CE's-Hertogenbosch, The Netherlands	-	Subsidiary	95	2(87)
94	LCC Projects BV	Ruwekampweg 4, Postbus 2206, 5202 CE's-Hertogenbosch, The Netherlands	-	Subsidiary	95	2(87)
95	LCC North Central Europe, B.V.	Amerikastraat 7, 5232 BE's-Hertogenbosch, Postbus 2206	-	Subsidiary	100	2(87)
96	LCC Europe Cooperatief U.A.	Ruwekampweg 4, Postbus 2206, 5202 CE's-Hertogenbosch, The Netherlands	-	Subsidiary	100	2(87)
97	LCC Europe Holdings, BV	Ruwekampweg 4, Postbus 2206, 5202 CE's-Hertogenbosch, The Netherlands	-	Subsidiary	100	2(87)
98	LCC Wireless Communications Espana, SA	Juan de Mariana, 17B – 4 Planta 28045 – Madrid	-	Subsidiary	100	2(87)
99	LCC Telekomunikasyon Servis Limited	Ergenekon Cad. Şetat İş Merkezi K:5 D:501 Feriköy-Şişli/İstanbul	-	Subsidiary	100	2(87)
100	LCC United Kingdom, Ltd.	Capital Park Fulbourn, Cambridge, CBI 5XE, United Kingdom	-	Subsidiary	100	2(87)
101	LCC Wireless Engineering Services, Ltd.	Capital Park Fulbourn, Cambridge, CBI 5XE, United Kingdom	-	Subsidiary	100	2(87)
102	LCC Deployment Services, UK, Ltd.	Capital Park Fulbourn, Cambridge, CBI 5XE, United Kingdom	-	Subsidiary	100	2(87)
103	LCC Networks Poland Sp.z.o.o	ul. WYZYSKA, nr 9A, lok. ---, miejsc. WARSZAWA, kod 02-455, poczta, WARSZAWA, kraj POLSKA	-	Subsidiary	100	2(87)
104	LCC Wireless Communications Services Marox, SARLAU	186 Av Mehdi Ben Barka Appt N 22, Bourgogne 20053, Casablanca, Morocco	-	Subsidiary	100	2(87)
105	LCC Telecom Infra Projects BV	Amerikastraat 7, 5232 BE's-Hertogenbosch, Postbus 2206	-	Subsidiary	95	2(87)
106	LCC Telecom Infra Professionals BV	Amerikastraat 7, 5232 BE's-Hertogenbosch, Postbus 2206	-	Subsidiary	95	2(87)
107	LCC Installation & Services Projects BV	Amerikastraat 7, 5232 BE's-Hertogenbosch, Postbus 2206	-	Subsidiary	95	2(87)
108	LCC Installation & Services Professionals BV	Amerikastraat 7, 5232 BE's-Hertogenbosch, Postbus 2206	-	Subsidiary	95	2(87)
109	Lightbridge Middle East Holdings, Inc.	7900 Westfields Blvd, Suite 300A McLean VA 22102	-	Subsidiary	100	2(87)
110	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)

Sr. No.	Name of the Company	Registered Address	CIN/GLN	Holding/ Subsidiary/ Associate	(%) shares held	Applicable Section
111	LCC Engineering & Deployment Services Misr, Ltd	Office 4 Al Maqdes Al Qabari, Nasr City, Cairo, Egypt	-	Subsidiary	100	2(87)
112	LCC India Private Limited	2 <sup>nd</sup> Floor, Sucheta Bhawan, Gate No 2, 11-A Vishnu Digambar Marg, New Delhi - 110 002	U64202DL2004PTC126500	Subsidiary	100	2(87)
113	LCC Pakistan Private Ltd.	House # 180, Street # 68, F - 10/3, Islamabad	-	Subsidiary	100	2(87)
114	LCC Saudi Telecom Services, Ltd.	Offices 4&5; 2 <sup>nd</sup> Floor Al-Mizan Tower PO Box 2432 Riyadh Saudi Arabia	-	Subsidiary	100	2(87)
115	LCC Muscat LLC	Muscat Governorate/ As Seeb/ Wahat Al Marafa/ PO Box 3360/ Postal Code 111	-	Subsidiary	100	2(87)
116	Leadcom Integrated Solutions (L.I.S.) Ltd.	10 Hahagana Street, Or Yehuda Israel	-	Subsidiary	100	2(87)
117	Leadcom EMEA B.V.	2 Martinus Nijhofflaan, 2624 ES Delft, the Netherlands	-	Subsidiary	100	2(87)
118	Leadcom Integrated Solutions International B.V.	2 Martinus Nijhofflaan, 2624 ES Delft, the Netherlands	-	Subsidiary	100	2(87)
119	Leadcom Ghana Limited	House No. RR147A Olusegun Obasanjo Road PMB KA 34 Roman Ridge Accra, Ghana	-	Subsidiary	100	2(87)
120	Leadcom Gabon S.A.	Quartier Louis Deriere le Cotton Club B.P. 4638 Libreville, Gabon	-	Subsidiary	100	2(87)
121	Leadcom Uganda Limited	Mobile 256-71-142630 Plot 2 Neptune Avenue Mbuya, Kampala PO Box 50029 Uganda	-	Subsidiary	100	2(87)
122	Leadcom DRC SPRL	Leadcom Avenue Basoko, No. 521, Commune de la Gombe Kinshasa, DRC	-	Subsidiary	100	2(87)
123	Leadcom Integrated Solutions USA Inc.*	2645 Executive Park Drive, Weston, FL 33331 – USA	-	Subsidiary	100	2(87)
124	Leadcom Integrated Solutions Tanzania Ltd.	2379/34 Winding Avenue Oyster Bay Dar Es Salaam, Tanzania	-	Subsidiary	100	2(87)
125	Leadcom Integrated Solutions Rwanda Ltd.	Sulfo House Door 6B Gikondo Kigali, Rwanda	-	Subsidiary	100	2(87)
126	Leadcom Integrated Solutions Tchad SARL	Zone Industrielle – Farcha BP 6718 N'Djamena Chad	-	Subsidiary	100	2(87)
127	Leadcom Integrated Solutions (SPV) SAS	4 Cité Joly 75011 Paris	-	Subsidiary	100	2(87)
128	STA Gabon	Quartier Louis Deriere le Cotton Club B.P. 4638 Libreville, Gabon	-	Subsidiary	100	2(87)
129	STA Dakar	22, avenue Albert Sarraut BP 6147 Etoile Dakar	-	Subsidiary	100	2(87)

<b>Sr. No.</b>	<b>Name of the Company</b>	<b>Registered Address</b>	<b>CIN/GLN</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>(%) shares held</b>	<b>Applicable Section</b>
130	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)
131	Coniber S.A.	Plaza Independencia 822, apartamento 801, Montevideo, Uruguay	-	Subsidiary	100	2(87)
132	Leadcom Peru S.A.C.	Canaval y Moreyra # 340, San Isidro, Lima Codigo Postal Lima 27	-	Subsidiary	100	2(87)
133	Leadcom Guatemala	12 calle 1-25 zona 10 edificio GEMINIS 10 TORRE SUR NIVEL 16 OFICINA 1607 "A" Guatemala	-	Subsidiary	100	2(87)
134	Leadcom Bolivia S.R.L.	3 ere. Anillo Interno – Zona San Martin Calle 9 B – Este N33 Santa Cruz – Bolivia	-	Subsidiary	100	2(87)
135	Leadcom Ecuador S. A.	Kenedy Norte Manzana 1010 Solares 7, 8 y 9 Guayaquil, Ecuador	-	Subsidiary	100	2(87)
136	Leadcom Panama S.A.	Via Simon Bolivar, (Transistmica) Edif H. Herburger oficina 5 y 10 Panama	-	Subsidiary	100	2(87)
137	Leadcom Telecommunicacoes Costa-Rica S.A.	Sabana Sur, Calle Morenos 150 mt Sur del Supermercado AMPM Edificio color papaya, San Jose Costa Rica	-	Subsidiary	100	2(87)
138	Leadcom de Colombia S.A.	Cr. 48, 93-5, Bogota, Colombia	-	Subsidiary	100	2(87)
139	Leadcom S.A.	Cabello 3181, 7 <sup>th</sup> Floor Suite "D" Capital Federal - C1425APC Argentina	-	Subsidiary	100	2(87)
140	Leadcom Telecommunicaciones de Chile S.A.*	San Antonio 378. Oficina 808 Santiago Centro RM-Chile	-	Subsidiary	100	2(87)
141	Leadcom Mexico S.A. de C.V.	Montes Urales 785, Lomas de Chapultepec, Colonia Miguel Hidalgo, Mexico DF, Mexico	-	Subsidiary	100	2(87)
142	Leadcom Integrated Solutions Kenya Limited	Mayfair Business Center 2 <sup>nd</sup> floor Masapo Close, Westland's Nairobi, Kenya	-	Subsidiary	100	2(87)
143	Leadcom Integrated Solutions Myanmar Co., Ltd	14/E University Avenue Compound New University Road, Bahan Township Yangon, Myanmar	-	Subsidiary	100	2(87)
144	LCC Middle East Holdings, B.V.*	Amerikastraat 7-11, S'Hertogenbosch, 5232, Netherlands	-	Subsidiary	100	2(87)
145	LCC Professionals, B.V.	Amerikastraat 7-11, S'Hertogenbosch, 5232, Netherlands	-	Subsidiary	95	2(87)

Sr. No.	Name of the Company	Registered Address	CIN/GLN	Holding/ Subsidiary/ Associate	(%) shares held	Applicable Section
146	Merlin Projects, Ltd.	Knyvett House, Watermans Business Park, The Causeway, Staines, United Kingdom	-	Subsidiary	100	2(87)
147	LCC Acquisition Holdings B.V.	Amerikastraat 7-11, S'Hertogenbosch, 5232, Netherlands	-	Subsidiary	100	2(87)
148	Lightbridge Communications Corporations LLC	Shatha Tower, 12 <sup>th</sup> floor, Suite 1206, Dubai, UAE	-	Subsidiary	95	2(87)
149	Burgundy Holding Corporation*	7900 Westfields Blvd, Suite 300A, McLean, VA 22102	-	Subsidiary	100	2(87)
150	LCC Wireless Design Services Inc*	1209 Orange St, Wilmington, New Castle County, DE 19801	-	Subsidiary	100	2(87)
151	Wireless Facilities International, Ltd.*	Capital Park Fulbourn, Cambridge, CBI 5XE, United Kingdom	-	Subsidiary	100	2(87)
152	LCC Diseno y Servicios Chile*	Oficina 1007 Calle del Inca 4446 Las Condes, CP 7580206 Santiago, Chile	-	Subsidiary	100	2(87)
153	LCC do Brasil Ltda	Veirano Advogados, Av. Brigardeiro Faria Lima, 377-160andar, CEP: 04538-133-São Paulo-Brasil	-	Subsidiary	100	2(87)
154	LCC Colombia Ltda*	Carrera 19a #90 - 13 of 304 Bogota DC, Colombia	-	Subsidiary	100	2(87)
155	LCC Diseno y Servicios de RED Peru S.R.L.	Avenida Victor Andres Belaunde, Espalda del CC Caminos del Inca, Lima, Peru	-	Subsidiary	100	2(87)
156	Mahindra Educational Institutions	Survey No: 62/1A, Bahadurpally, Jeedimetla, Hyderabad - 500 043, Telangana, India	U80300TG2013NPL086878	Subsidiary	100	2(87)
157	Tech Mahindra Foundation	Oberoi Gardens Estate, Chandivali, Off Saki Vihar Road, Andheri (E), Mumbai – 400 072	U85310MH2006NPL160651	Subsidiary	100	2(87)
158	Avion Networks, Inc.	C/o. Incorporating Services, Ltd., 3500 South DuPont Highway, Dover, County of Kent, Delaware, 19901	-	Associate	30	2(6)
159	SARL Djazatech	Bab Ezzouar Business District, Lot Nr. 94, Algiers, 16311, Algeria	-	Associate	49	2(6)
160	EURL LCC UK Algerie	Bab Ezzouar Business District, Lot Nr. 94, Algiers, 16311, Algeria	-	Associate	49	2(6)
161	IQS Information Solutions WLL	Suite 45, 10 <sup>th</sup> Floor, Al Reem Tower, West Bay, Doha, State of Qatar	-	Associate	20	2(6)

\* Stands Closed/Liquidated as of March 31, 2016.

\*\* Amalgamated with Tech Mahindra GmbH effective October 19, 2015 (with retroactive effect as from April 1, 2015).

\*\*\* Amalgamated with Tech Mahindra Limited, w.e.f. March 29, 2016.

Note:

1 Entities listed at Sr. No. 3, 42 to 46, 53 to 61 and 161 have become Subsidiaries/Associate during the year.

**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	
<b>(A)</b>	<b>Promoter and Promoter Group</b>									
<b>1</b>	<b>Indian</b>									
(a)	Individuals / Hindu Undivided Family	-	-	-	0	-	-	-	0	0
(b)	Central Government / State Government(s)	-	-	-	0	-	-	-	0	0
(c)	Bodies Corporate	25,64,50,608	-	25,64,50,608	26.69	25,64,50,608	-	25,64,50,608	26.50	(0.19)
(d)	Financial Institutions / Banks	-	-	-	0	-	-	-	0	0
(e)	Any Other (specify)	-	-	-	0	-	-	-	0	0
	TML Benefit Trust (Through Mr. Ulhas N. Yargop, Trustee)	9,60,00,000	-	9,60,00,000	9.99	9,60,00,000	-	9,60,00,000	9.92	(0.07)
	<b>Sub-Total (A)(1)</b>	<b>35,24,50,608</b>	-	<b>35,24,50,608</b>	<b>36.68</b>	<b>35,24,50,608</b>	-	<b>35,24,50,608</b>	<b>36.42</b>	<b>(0.26)</b>
<b>2</b>	<b>Foreign</b>									
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	0	-	-	-	0	0
(b)	Bodies Corporate	2,42,904	-	2,42,904	0.03	2,42,904	-	2,42,904	0.03	0
(c)	Institutions	-	-	-	0	-	-	-	0	0
(d)	Qualified Foreign Investor	-	-	-	0	-	-	-	0	0
(e)	Any Other (specify)	-	-	-	0	-	-	-	0	0
	<b>Sub-Total (A)(2)</b>	<b>2,42,904</b>	-	<b>2,42,904</b>	<b>0.03</b>	<b>2,42,904</b>	-	<b>2,42,904</b>	<b>0.03</b>	<b>0</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>35,26,93,512</b>	-	<b>35,26,93,512</b>	<b>36.71</b>	<b>35,26,93,512</b>	-	<b>35,26,93,512</b>	<b>36.45</b>	<b>(0.26)</b>
<b>(B)</b>	<b>Public shareholding</b>									
<b>1</b>	<b>Institutions</b>									
(a)	Mutual Funds/UTI	6,22,11,026	4,932	6,22,15,958	6.48	4,92,60,389	4,932	4,92,65,321	5.09	(1.39)
(b)	Financial Institutions/ Banks	22,23,083	-	22,23,083	0.23	36,32,671	-	36,32,671	0.37	0.14
(c)	Central Government/ State Government(s)	21,15,812	-	21,15,812	0.22	21,15,612	-	21,15,612	0.22	0
(d)	Venture Capital Funds	-	-	-	0	-	-	-	0	0
(e)	Insurance Companies	3,34,35,080	-	3,34,35,080	3.48	5,42,40,615	-	5,42,40,615	5.60	2.12
(f)	Foreign Institutional Investors	33,47,35,587	11,836	33,47,47,423	34.84	24,22,83,318	11,836	24,22,95,154	25.04	(9.80)
(g)	Foreign Venture Capital Investors	-	-	-	0	-	-	-	0	0
(h)	Qualified Foreign Investor	-	-	-	0	-	-	-	0	0
(i)	Any Other (specify) Foreign Portfolio Investor (Corporate)	2,55,05,819	-	2,55,05,819	2.65	12,40,96,373	-	12,40,96,373	12.82	10.17
	<b>Sub-Total (B)(1)</b>	<b>46,02,26,407</b>	<b>16,768</b>	<b>46,02,43,175</b>	<b>47.90</b>	<b>47,56,28,978</b>	<b>16,768</b>	<b>47,56,45,746</b>	<b>49.14</b>	<b>1.24</b>
<b>2</b>	<b>Non-institutions</b>									
(a)	Bodies Corporate	2,22,57,359	42,832	2,23,00,191	2.32	1,67,58,072	43,332	1,68,01,404	1.74	(0.58)
(b)	Individuals -									
i.	Individual shareholders holding nominal share capital up to ₹ 1 lakh.	8,69,33,559	17,60,482	8,86,94,041	9.23	8,85,24,587	17,20,934	9,02,45,521	9.32	0.09
ii.	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	2,13,74,129	47,056	2,14,21,185	2.23	1,40,31,105	-	1,40,31,105	1.45	(0.78)

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	
(c) Qualified Foreign Investor	-	-	-	0	-	-	-	0	0
(d) Any Other (specify)									
i. Non Resident Indians	82,94,156	6,17,100	89,11,256	0.93	85,67,866	5,91,044	91,58,910	0.94	0.01
ii. Foreign Nationals	1,57,280	80,900	2,38,180	0.03	1,89,684	80,900	2,70,584	0.03	0
iii. Trusts	25,96,980	500	25,97,480	0.27	37,99,813	-	37,99,813	0.39	0.12
iv. Clearing Members	36,87,544	-	36,87,544	0.38	30,63,372	-	30,63,372	0.32	(0.06)
v. Overseas Bodies Corporates	2,348	-	2,348	0.00	2,348	-	2,348	0.00	0
vi. Hindu Undivided Family	-	-	-	0	20,97,754	-	20,97,754	0.22	0.22
<b>Sub-Total (B)(2)</b>	<b>14,53,03,355</b>	<b>25,48,870</b>	<b>14,78,52,225</b>	<b>15.39</b>	<b>13,70,34,601</b>	<b>24,36,210</b>	<b>13,94,70,811</b>	<b>14.41</b>	<b>(0.98)</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>60,55,29,762</b>	<b>25,65,638</b>	<b>60,80,95,400</b>	<b>63.29</b>	<b>61,26,63,579</b>	<b>24,52,978</b>	<b>61,51,16,557</b>	<b>63.55</b>	<b>0.26</b>
<b>TOTAL (A)+(B)</b>	<b>95,82,23,274</b>	<b>25,65,638</b>	<b>96,07,88,912</b>	<b>100.00</b>	<b>96,53,57,091</b>	<b>24,52,978</b>	<b>96,78,10,069</b>	<b>100.00</b>	<b>0.00</b>
<b>(C) Shares held by Custodians and against which Depository Receipts have been issued</b>	Not Applicable								
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>95,82,23,274</b>	<b>25,65,638</b>	<b>96,07,88,912</b>	<b>100.00</b>	<b>96,53,57,091</b>	<b>24,52,978</b>	<b>96,78,10,069</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoters:**

Sr 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	25,62,48,704	26.67	-	25,62,48,704	26.48	-	(0.19)
2	TML Benefit Trust (Through Mr. Ulhas N. Yargop Trustee)	9,60,00,000	9.99	-	9,60,00,000	9.92	-	(0.07)
3	Mahindra-BT Investment Company (Mauritius) Limited	2,42,904	0.03	-	2,42,904	0.03	-	0.00
4	Mahindra Holdings Limited	2,01,904	0.02	-	2,01,904	0.02	-	0.00
	<b>Total</b>	<b>35,26,93,512</b>	<b>36.71</b>	<b>-</b>	<b>35,26,93,512</b>	<b>36.45</b>	<b>-</b>	<b>(0.26)</b>

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

<b>Sr. No.</b>	<b>Shareholder's Name</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the year</b>	
		<b>No. of shares</b>	<b>% of total shares of the Company</b>	<b>No. of shares</b>	<b>% of total shares of the Company</b>
1	Mahindra & Mahindra Limited				
	<b>Beginning of the Year</b>	<b>25,62,48,704</b>	<b>26.67</b>		
	<b>At the end of the Year</b>	-	-	<b>-25,62,48,704</b>	<b>26.48<sup>#</sup></b>
2	TML Benefit Trust (Through Mr. Ulhas N. Yargop Trustee)				
	<b>Beginning of the Year</b>	<b>9,60,00,000</b>	<b>9.99</b>		
	<b>At the end of the Year</b>	-	-	<b>9,60,00,000</b>	<b>9.92<sup>#</sup></b>
3	Mahindra-BT Investment Company (Mauritius) Limited				
	<b>Beginning of the Year</b>	<b>2,42,904</b>	<b>0.03</b>		
	<b>At the end of the Year</b>	-	-	<b>2,42,904</b>	<b>0.03<sup>#</sup></b>
4	Mahindra Holdings Limited				
	<b>Beginning of the Year</b>	<b>2,01,904</b>	<b>0.02</b>		
	<b>At the end of the Year</b>	-	-	<b>2,01,904</b>	<b>0.02<sup>#</sup></b>

# The change in percentage is due to increase in paid-up capital on account of allotment of shares upon exercise of ESOPs.

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

<b>Sr. No.</b>	<b>Particulars</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the year</b>	
		<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
1	EUROPACIFIC GROWTH FUND				
	<b>Beginning of the Year</b>	<b>3,89,72,568</b>	<b>4.05</b>		
	<b>At the end of the year</b>			<b>6,18,31,716</b>	<b>6.39</b>
2	LIFE INSURANCE CORPORATION OF INDIA				
	<b>Beginning of the Year</b>	<b>66,16,068</b>	<b>0.69</b>		
	<b>At the end of the year</b>			<b>3,89,48,044</b>	<b>4.02</b>
3	NATIONAL WESTMINSTER BANK PLC AS DEPOSITORY OF FIRST STATE ASIA PACIFIC LEADERS FUND A SUB FUND OF FIRST STATE INVESTMENTS ICVC				
	<b>Beginning of the Year</b>	<b>1,39,42,788</b>	<b>1.45</b>		
	<b>At the end of the year</b>			<b>2,20,50,323</b>	<b>2.28</b>
4	ICICI PRUDENTIAL FOCUSED BLUECHIP EQUITY FUND				
	<b>Beginning of the Year</b>	<b>1,28,76,103</b>	<b>1.34</b>		
	<b>At the end of the year</b>			<b>1,89,06,106</b>	<b>1.95</b>

Sr. 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	NEW WORLD FUND INC				
	<b>Beginning of the Year</b>	<b>74,00,936</b>	<b>0.77</b>		
	<b>At the end of the year</b>			<b>1,76,50,936</b>	<b>1.82</b>
6	GOVERNMENT PENSION FUND GLOBAL				
	<b>Beginning of the Year</b>	<b>1,31,56,581</b>	<b>1.37</b>		
	<b>At the end of the year</b>			<b>1,15,23,235</b>	<b>1.19</b>
7	NATIONAL WESTMINSTER BANK PLC AS DEPOSITORY OF FIRST STATE GLOBAL EMERGING MARKETS LEADERS FUND A SUB FUND OF FIRST STATE INVESTMENTS ICVC				
	<b>Beginning of the Year</b>	<b>1,04,75,164</b>	<b>1.09</b>		
	<b>At the end of the year</b>			<b>93,02,403</b>	<b>0.96</b>
8	SKAGEN KON-TIKI VERDIPAPIRFOND				
	<b>Beginning of the Year</b>	<b>87,84,608</b>	<b>0.91</b>		
	<b>At the end of the year</b>			<b>87,84,608</b>	<b>0.91</b>
9	OPPENHEIMER INTERNATIONAL SMALL COMPANY FUND				
	<b>Beginning of the Year</b>	<b>44,83,322</b>	<b>0.47</b>		
	<b>At the end of the year</b>			<b>78,61,019</b>	<b>0.81</b>
10	BIRLA SUN LIFE TRUSTEE COMPANY PRIVATE LIMITED A/C BIRLA SUN LIFE FRONTLINE EQUITY FUND				
	<b>Beginning of the Year</b>	<b>64,44,862</b>	<b>0.67</b>		
	<b>At the end of the year</b>			<b>77,35,514</b>	<b>0.80</b>

**Note:** The above information is provided based on the Beneficiary Position received from Depositories and Physical share register. The change (week wise) in the holding position of the above shareholders is provided on the Company's website at [www.techmahindra.com](http://www.techmahindra.com)

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. 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				
	<b>Beginning of the year</b>	<b>20,58,968</b>	<b>0.21</b>		
	Acquisition on October 19, 2015	4,00,000	0.04	24,58,968	0.25
	Acquisition on November 23, 2015	2,00,000	0.02	26,58,968	0.28
	Acquisition on January 19, 2016	2,00,000	0.02	28,58,968	0.30
	<b>At the end of the year</b>	-	-	<b>28,58,968</b>	<b>0.30</b>
2	Mr. Vineet Nayyar				
	<b>Beginning of the year</b>	<b>18,20,268</b>	<b>0.20</b>		
	Acquisition on October 19, 2015	32,00,000	0.33	50,20,268	0.52
	<b>At the end of the year</b>	-	-	<b>50,20,268</b>	<b>0.52</b>
3	Mr. Anand G. Mahindra				
	<b>Beginning of the year</b>	<b>1,88,552</b>	<b>0.02</b>		
	<b>At the end of the year</b>	-	-	<b>1,88,552</b>	<b>0.02</b>
4	Mr. Ulhas N. Yargop				
	<b>Beginning of the year</b>	<b>1,83,040</b>	<b>0.02</b>		
	Acquisition on May 14, 2015	20,000	0.00	2,03,040	0.02
	<b>At the end of the year</b>	-	-	<b>2,03,040</b>	<b>0.02</b>
5	Mr. M. Damodaran				
	<b>Beginning of the year</b>	<b>96,000</b>	<b>0.01</b>		
	Acquisition on December 24, 2015	20,000	0.00	1,16,000	0.01
	<b>At the end of the year</b>	-	-	<b>1,16,000</b>	<b>0.01</b>
6	Mr. Ravindra Kulkarni				
	<b>Beginning of the year</b>	<b>4,148</b>	<b>0.00</b>		
	Acquisition on January 19, 2016	40,000	0.00	44,148	0.00
	<b>At the end of the year</b>	-	-	<b>44,148</b>	<b>0.00</b>
7	Mr. T. N. Manoharan				
	<b>Beginning of the year</b>	-	-		
	Acquisition on April 23, 2015	20,000	0.00	20,000	0.00
	Acquisition on January 08, 2016	20,000	0.00	40,000	0.00
	<b>At the end of the year</b>	-	-	<b>40,000</b>	<b>0.00</b>
	<b>Key Managerial Personnel:</b>				
1	Mr. G. Jayaraman				
	<b>Beginning of the year</b>	<b>34,396</b>	<b>0.00</b>		
	Disposal on March 02 and 03, 2016	(2,500)	0.00	31,896	0.00
	Disposal on March 09 and 10, 2016	(2,500)	0.00	29,396	0.00
	Disposal on March 14, 2016	(1,000)	0.00	28,396	0.00
	Disposal on March 17, 2016	(4,000)	0.00	24,396	0.00
	<b>At the end of the year</b>	-	-	<b>24,396</b>	<b>0.00</b>
2	Mr. Milind Kulkarni				
	<b>Beginning of the year</b>	<b>1,500</b>	<b>0.00</b>		
	<b>At the end of the year</b>	-	-	<b>1,500</b>	<b>0.00</b>

**Note:** Mr. Anupam Puri, Mrs. M. Rajyalakshmi Rao and Mr. V. S. Parthasarathy did not hold any shares in the Company during the financial year 2015-16.

**V. INDEBTEDNESS****Indebtedness of the Company including interest outstanding/accrued but not due for payment**

(₹ in Million)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	52	-	-	52
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>52</b>	-	-	<b>52</b>
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
Addition	2,357	-	-	2,357
Reduction	(124)	-	-	(124)
<b>Net Change</b>	<b>2,233</b>	-	-	<b>2,233</b>
<b>Indebtedness at the end of the financial year</b>	-	-	-	-
i) Principal Amount	2,285	-	-	2,285
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	32	-	-	32
<b>Total (i+ii+iii)</b>	<b>2,317</b>	-	-	<b>2,317</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

(₹ in Million)

Sr. No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		C. P. Gurnani (Managing Director & CEO)	Vineet Nayyar (Executive Vice Chairman – upto August 09, 2015)	
1.	Gross Salary			
(a)	Salary as per provisions contained in section 17(1) of the Income tax Act 1961	16.17	12.70	28.87
(b)	Value of perquisite u/s 17(2) of the Income tax Act 1961	0.25	0.00	0.25
(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	429.86	1,778.72	2,208.58
3.	Sweat Equity	-	-	-
4.	Commission			
	As % of profit	6.48	3.49	9.97
	Others Specify	-	-	-
5.	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>452.76</b>	<b>1,794.91</b>	<b>2,247.67</b>
	Ceiling as per the Act	10% of the Net Profit		2,743.83*
	Company contribution to PF not added in above information	0.81	0.43	1.24

\* 10% of the Profit for the period April 1, 2015 to August 09, 2015 and 5% for the period August 10, 2015 to March 31, 2016.

B. Remuneration to other directors

Sr. No	Particulars of Remuneration	Name of Directors					Total Amount
		Anupam Puri	M. Damodaran	Ravindra Kulkarni	M. Rajyalakshmi Rao	T. N. Manoharan	
<b>1. Independent Directors</b>							
• Fee for attending board committee meetings	N.A	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
• Commission	7.95	5.96	6.96	5.63	7.29	33.79	
• Others- (Stock Options)	-	10.73	20.74	-	22.91	54.38	
<b>Total (1)</b>	<b>7.95</b>	<b>16.69</b>	<b>27.70</b>	<b>5.63</b>	<b>30.20</b>	<b>88.17</b>	
		<b>Anand G. Mahindra</b>	<b>Bharat N. Doshi<sup>#</sup></b>	<b>Ulihas N. Yargop</b>	<b>V. S. Parthasarathy<sup>\$</sup></b>	<b>Vineet Nayyar<sup>@</sup></b>	
<b>2. Other Non- Executive Directors</b>							
• Fee for attending board committee meetings	N.A	N.A	N.A	N.A	N.A	N.A	N.A
• Commission	N.A.	1.99	7.29	3.64	22.52	35.44	
• Others – (Stock Options)	-	21.45	12.37	-	-	33.82	
<b>Total (2)</b>		<b>23.44</b>	<b>19.66</b>	<b>3.64</b>	<b>22.52</b>	<b>69.26</b>	
<b>Total (B)= (1+2)</b>							<b>157.43</b>
<b>Total Managerial Remuneration (A+B)</b>							<b>2,405.10</b>
Overall Ceiling as per the Act		11% of the Net Profit					3,147.95*

# Retired w.e.f. July 28, 2015, commission considered for 4 months i.e. upto July 31, 2015.

\$ Appointed w.e.f. August 10, 2015, commission considered for 8 months i.e. w.e.f. August 1, 2015.

@ Ceased to be Executive Director on August 09, 2015 and appointed as Vice Chairman w.e.f. August 10, 2015.

\* 11% of the Profit for the period April 1, 2015 to August 09, 2015 and 6% for the period August 10, 2015 to March 31, 2016.

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

(₹ in Million)

Sr. 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	-	7.36	5.04	12.40
(b)	Value of perquisite u/s 17(2) of the Income tax Act 1961	-	0.03	0.03	0.06
(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)	-	0.00	0.00	0.00
3.	Sweat Equity	-	-	-	-
4.	Commission				
	As % of profit	-	-	-	-
	Others Specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total</b>	-	<b>7.39</b>	<b>5.07</b>	<b>12.46</b>
	Ceiling as per the Act		N.A.	N.A.	N.A.
6.	Company contribution to PF not added in above information	-	0.30	0.15	0.45
7.	Company contribution to Superannuation not added in above information	-	0.10	0.10	0.20

**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 March 31, 2016.

For and on behalf of the Board

Place: Mumbai

Date: May 24, 2016

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 :

<b>Sr. No.</b>	<b>Name of the Director/ KMP</b>	<b>Designation</b>	<b>Ratio of Remuneration of each Director to Median Remuneration of Employees</b>	<b>Percentage increase in Remuneration during FY 2015-16</b>
1	Mr. Anand G. Mahindra	Chairman	NA	0
2	Mr. Anupam Puri	Independent Director	15.23	21%
3	Mr. Bharat N. Doshi*	Non Executive Director	44.90	14%
4	Mr. M. Damodaran	Independent Director	31.97	(19%)
5	Mrs. M. Rajyalakshmi Rao	Independent Director	10.79	(5%)
6	Mr. Ravindra Kulkarni	Independent Director	53.07	268%
7	Mr. T. N. Manoharan	Independent Director	57.85	302%
8	Mr. Ulhas N. Yargop	Non Executive Director	37.66	161%
9	Mr. V. S. Parthasarathy*	Non Executive Director	6.97	NA
10	Mr. Vineet Nayyar*	Vice Chairman	43.14	NA
	Mr. Vineet Nayyar**	Executive Vice Chairman	3438.52	50%
11	Mr. C. P. Gurnani	Managing Director & Chief Executive Officer	867.36	(73%)
12	Mr. Milind Kulkarni	Chief Financial Officer		(70%)
13	Mr. G. Jayaraman	Company Secretary & Chief Compliance Officer		(66%)

**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.

<b>Sr. No.</b>	<b>Name of the Director/ KMP</b>	<b>Designation</b>	<b>Ratio of Remuneration of each Director to Median Remuneration of Employees</b>	<b>Percentage increase in Remuneration during FY 2015-16</b>
1	Mr. Bharat N. Doshi*	Non Executive Director	3.81	(70%)
2	Mr. M. Damodaran	Independent Director	11.42	0%
3	Mr. Ravindra Kulkarni	Independent Director	13.33	(5%)
4	Mr. T. N. Manoharan	Independent Director	13.97	(7%)
5	Mr. Ulhas N. Yargop	Non Executive Director	13.97	(3%)
6	Mr. Vineet Nayyar**	Executive Vice Chairman	31.02	(55.03%)
7	Mr. C. P. Gurnani	Managing Director & Chief Executive Officer	43.87	(5.64%)
8	Mr. Milind Kulkarni	Chief Financial Officer		6.64%
9	Mr. G. Jayaraman	Company Secretary & Chief Compliance Officer		6.74%

\* Remuneration for FY 2015-16 is for part of the year hence not comparable.

\*\* The Executive role was upto August 09, 2015 hence not comparable.

<b>3)</b> Percentage increase in the median remuneration of employees in the financial year:	(7.92%)
<b>4)</b> Number of permanent employees on the rolls of Company as at March 31, 2016:	82,176
<b>5)</b> Explanation on the relationship between average increase in remuneration and Company performance:	Average increase in remuneration was 2%. The turnover of the Company increased by 9.43% & Profit Before Tax increased by 33.9%.

		(₹ in Million)
<b>6)</b> Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:	Total Revenue	209,698.10
	Profit Before Tax	39,233.00
	Total Remuneration to KMPs	2,260.13
	Total Remuneration of KMPs as % to -	
	Total Revenue	1.08%
	Profit Before Tax	5.76%
<b>7)</b> i. Variations in the market capitalisation of the Company:	The market capitalisation as on March 31, 2016 was ₹ 45,966 Crores (₹ 60,500 Crore s as at March 31, 2015).	
ii. Price Earnings ratio of the Company:	14.2 as at March 31, 2016 and 26.7 as at March 31, 2015, based on Standalone EPS.	
	14.7 as at March 31, 2016 and 22.9 as at March 31, 2015, based on Consolidated EPS.	
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 ₹ 1,899.80 as on March 31, 2016 indicating a compounded annual growth rate of 18.9% which is excluding the dividend accrued thereon.	
<b>8)</b> 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 2% as compared to the decrease in the managerial remuneration by 18%. The decrease in managerial remuneration was on account of exercise of stock options in the previous financial year.  Excluding the perquisite value of stock options exercised, the Managerial Remuneration was increased by 2%.	

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

<b>Names of the KMPs</b>	<b>Remuneration in FY 2015-16 (₹ Million)</b>	<b>Revenue (₹ Million)</b>	<b>Remuneration as % of revenue</b>	<b>Profit Before Tax (₹ Million)</b>	<b>Remuneration (as % of PBT)</b>
Mr. Vineet Nayyar*	1794.91	209,698.10	0.86%	39,233.00	4.58%
Mr. C. P. Gurnani	452.76	209,698.10	0.22%	39,233.00	1.15%
Mr. Milind Kulkarni	7.39	209,698.10	0.00%	39,233.00	0.02%
Mr. G. Jayaraman	5.07	209,698.10	0.00%	39,233.00	0.01%

\* for part of the year

<b>10)</b> 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 of duties etc.
<b>11)</b> 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
<b>12)</b> 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 24, 2016

Anand G. Mahindra  
Chairman

FORM NO. AOC-2

(PURSUANT TO CLAUSE (H) OF SUB-SECTION (3) OF SECTION 134 OF THE ACT 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 Transaction	Duration of the transactions	Salient features of the Transactions	Transactions value
1	NIL				N.A.

2 Details of material contracts or arrangement or transactions at arm's length basis:					
Sr No. of the related party	Nature of relationship	Nature of Transaction	Duration of the transactions	Transactions value (₹ Million)	% to Consol revenue
1 Tech Mahindra (Americas) Inc.	Subsidiary	Revenue Sub-contracting Expenses Reimbursement of Expenses (Net)- Paid / (Receipt) Dividend Income	April 2015 - March 2016	6,680 53,203 (971) 3,135	3% 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.

For and on behalf of the Board

Anand G. Mahindra  
Chairman

Place: Mumbai  
Date: May 24, 2016

**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 their equipment such as air conditioners, computer terminals, lights and other utilities at work places. As an on-going process, the Company continued to undertake the following measures to conserve energy:

1. Power savings of 1.9% per associate achieved in 2015-16 as compared to 2014-15, through effective operational controls and close monitoring of utilization.
2. Installed Solar power plants with a capacity of 1928 KWp in 2015-16, thus taking the overall capacity to 2442 KWp as per details given below:
  - Chennai - 999 KWp
  - Hyderabad - 1193 KWp
  - Pune - 250 KWp
3. Generated 22,32,875 units of green power through solar power at Pune, Chennai and Hyderabad, which lead to reduction of GHG emissions.
4. Replacing lights with LED in a phased manner.
5. Replaced very old AC chiller plant with high efficiency chillers in Mumbai Location to reduce energy consumption in future.
6. Consolidation of AC chiller plant in Bangalore which would bring system efficiency and resultant savings in future.
7. Optimization of UPS systems led to disconnection of 13 UPSs from Chennai, Bangalore and Pune, which resulted in reduction of system losses thereby energy savings.
8. Maximum Contracted Demand in a few buildings has been de-rated - savings resulted to ₹ 50 lac/annum.
9. Recycling of wet waste through Vermicompost yielded 53.7 tons of manure which was used for landscaping.
10. Treated 405,139.2 KL grey water across Pune, Hyderabad, Chennai, Bangalore and Vizag which is used for landscaping.

**B) TECHNOLOGY ABSORPTION**

**(i) & (ii) The efforts made by your Company towards technology absorption and the benefits in different segments are given below:**

**INFRASTRUCTURE MANAGEMENT SERVICES**

**SOTAF™ (Service Optimization Through Automation Framework)**

The Company has created a Framework called SOTAF™ (Service Optimization Through Automation Framework). The Company is using industry led orchestrators such as ServiceNow and BMC along with Cortex orchestrators to automate end-to-end Operations processes. SNOW & Cortex Orchestrators are going to be our preferred tools for orchestration. As part of the AQT (Automation, Quality, Time) initiative, Company is also working on Talend an open source orchestrator. Your Company automated multiple operations processes for multiple customers.

**Life Sciences and Healthcare**

**Genomics to facilitate Personalized Medicine**

Tech Mahindra's new Platform Analytics Solution for genomic medicine supports personalized treatment for patients and ensures better diagnosis. The leading edge genomics will help in accelerating the drug development process and discovering targeted therapeutic molecules and treatment regimens. It will also help in selecting the right target candidates/subjects at clinical trials.

**Crowdsourcing of Adverse Events**

Focusing on reduction of underreporting of adverse events, Tech Mahindra's Crowdsourcing solution captures and analyses the voice from social media about any drug related adverse events for potential Signal Detection. Further data mining provides directions for managing the next-generation safety data management platforms.

**Repurposing for Orphan Drugs**

The Company is working on "Repurposing for Orphan Drugs". A comprehensive tool that provides multidimensional, multivariate research data visualization. It helps in improving patient care by accelerating the development of targeted candidates and provides trends and anomalies along the development value chain.

### **IDMP Compliance Solution**

IDMP is likely to be mandated from Q1, 2017 by EMA regulatory. Our beta solution for IDMP comprises of 2 parts – MDM built by Tech Mahindra MDM practice team and agIDMP for IDMP in partnership with Aris Global that does regulatory interfacing. Both the pieces of the solution are demonstrable and on par with current draft guidance of IDMP from EMA regulator.

### **Manufacturing**

#### **AHMS (Aircraft Health Monitoring System)**

AHMS helps the aircraft manufactures to mitigate the new model launch challenges. The Solution helps build strong relationships with existing customers and also acts as a great leverage in acquiring new customers as it increases aircraft dispatch reliability, TAT, reduced man hours, quicker trouble shooting, remote monitoring, reduced warranty costs and increased positive passenger perception about the airline.

Apart from Real Time Monitoring, the solution is built with powerful aerospace analytics which will be a game changer. Integration with other Digital Applications like ERP, E-Log Book, Reliability etc. will make an all-digital Aerospace solution providing access to the airlines/operators to apply analytics and take great business value added decisions.

### **Factory of the Future**

The Company has developed and implemented the Factory of Future solution which is an amalgamation of several technology platforms aimed at transforming the way Manufacturing will be done - a set of solutions that aims to achieve a new paradigm of operations for the "smart factory" consistent with global industry initiatives such as Industry 4.0. This includes use of Plant Controls & Automation, The Internet of Things and the Internet of Services, Advanced Analytics and Human-Machine Interfaces.

### **Connected Aftermarket Suite**

The Company is building a Connected Aftermarket Suite which leverages the software, sensors, and IP-enabled connectivity of connected products combined with a 1080-degree, high-definition view of the smart product, consumer and environment to enhance traditional after-sales areas like maintenance, product repair and replenishment of consumables.

### **Digital Warranty Platform**

The Company is building an end to end Digital

Warranty Platform bringing in together the features of Connected Cars solution (Telematics), Predictive Analytics Platform, Digital Marketing and BPO offering. Some of the solution tenets are Warranty cost prediction and early warning system, Warranty Marketing & Campaign management, Vehicle diagnostics and Mobility integration.

### **SCM Analytics on Cloud**

The Company has developed a cloud based solution which addresses the present complex supply chain threats by providing end to end information visibility. It covers major functional dashboards like procurement, inventory, production etc. and point solutions which includes spend analytics, demand forecasting etc. It also includes role based dashboards- Supply chain Director, VP procurement, SCP manager, Logistics Head, Warehouse Manager, Production Head, and Sales Head.

### **Testing Services**

Tech Mahindra Testing Services has increased focus & investment on innovation and R&D to contribute towards its client's efficiency and growth while reducing the overall cost tremendously. With the focus on creation of Centres of Excellence, Digital labs, etc, Tech Mahindra launched over 20 innovation solutions during the year under review. Through a dedicated team of consultants and solution architects, your Company ensure interactions with the clients on their needs and capture market requirements for creating new offerings. Few of the major solutions are given below:

#### **iAF on Mobile and SFDC (Integrated Automation framework)**

The upgrade of Tech Mahindra's in-house automation framework enables automated test execution on different applications/systems/devices using an open source tool, Selenium. With the inclusion of new features, the framework now supports API Test automation and Appium mobile automation. The new version also has a very user friendly product like GUI for ease of use.

#### **eRAP (Requirement and Planning Tool)**

eRAP is a Test Requirement Management and Planning tool for traceability of requirements during the test life cycle including reports and complete information such as timeline events, roles, estimations, caveats, actions, risks, issues, approval history and live commentary. This tool is integrated with eConvergence, Tech Mahindra's in-house Test Management solution

which gives an E2E solution related to Test Management issues.

#### **TEMS (Test Environment Management Solution)**

Tech Mahindra's in-house framework built for continuous integration testing through open source technologies. The new version has the capability to integrate with Nagios monitoring tool and Integration with Microsoft technologies for build and deployment. The unique features of TEMS include environment booking & allocation, build and deployment Automation, Automated sanity check by using iAF, Environment monitoring with in-house developed scripts.

#### **INTELLioTEST (Intelligent IoT Testing Solution)**

This solution is a comprehensive testing framework catering to all types of testing needs for Internet of Things implementations/ projects. The customers can use the solution to plan, design and execute all types of tests through web based portal. The solution is designed to be hosted on internal private cloud and made accessible to the customer through licensing mode.

The framework will help simulating IoT sensors, gateways, actuators apart from executing automated functional tests, performance tests, security tests, Big Data and analytics testing, mobile device based testing, network virtualization and network testing etc. The E2E view of all testing will be available online in the dashboard and customizable reports will be available for different type of users.

#### **(iii) 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

#### **(iv) The expenditure incurred on research and development – NIL**

### **C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

1. Initiatives like increasing exports, Development of new export markets etc., to increase foreign exchange	97% of the total revenue of the Company is from exports.
2. Foreign Exchange Earnings	₹ 203,417 Million
3. Foreign Exchange outgo	₹ 117,552 Million

For and on behalf of the Board

**ANNEXURE VIII**

**ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2015-16**

**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) of 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
<b>Tech Mahindra Foundation:</b>	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.
<b>School Education:</b>	Projects are aimed to improve the quality of school education, teacher training through infrastructure improvement, capacity building of all stakeholders and supplementary education.
ARISE	All Round Improvement in Special Education
ARISE+	ARISE for children with disabilities
Shikshaantar	Training/Capacity building of Primary School 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, with specific focus on women and people with disabilities.

The Projects strive to address the gap between the skilling sector and the industry requirement by bringing in renowned industry from the service, technical and manufacturing sector as knowledge partners.

An employability rate of 75% is achieved annually.

SMART	Skills-for-Market Training Centres
SMART+	SMART Centres for youth with disability
SMART-T	SMART Centres with Technical trades
SMART Academy	Sector specific 'state of art' training institutes

**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 Engineers 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](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 2012-13 : ₹ 720 Crores

· ₹ 3,004.7 Cr.

FY 2014-15 : ₹ 2,485.7 Crores

Rs 2,485.77 crores

\* Excluding Foreign branch profits.

Excluding foreign branch profits

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

₹ 41.40 Crores (that is, 2% of ₹ 2,070.1 Crores)  
(Tenth part of the sum of first four parts)

(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 to be spent for the financial year 2015-16: ₹ 41.40 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)
Sr. 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	<b>Employability</b>	Schedule VII, Item 2 (promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects)	<ul style="list-style-type: none"> <li>- SMART 8.55 8.45 (0.10)</li> <li>- SMART+ 1.55 1.55 (0.00)</li> <li>- SMART T 2.91 2.47 (0.44)</li> <li>- Research / Advisory 0.26 0.26 (0.00)</li> <li>- SMART A 1.00 1.00 (0.00)</li> </ul> <p><b>(2) States</b> Delhi, Chandigarh, Telangana, Andhra, Karnataka, Tamilnadu, West Bengal, Odisha, Maharashtra</p> <ul style="list-style-type: none"> <li>- Programme Administration (like Communication, Volunteering, Training, Consultancy etc) 0.75 0.75 0.75</li> </ul>	<b>14.27 (total)</b>		<b>13.73 (0.54)</b>	100% amount spent through implementing agencies

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. 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)	
2	<b>School Education</b>	Same as (1)	- ARISE - ARISE+ - Shikshaantar - Shiksha Samwardhan  (2) Delhi, Telangana, Andhra, Karnataka, Tamilnadu, West Bengal, Odisha, Maharashtra	7.45 2.75 3.29 2.24  <b>15.73 (total)</b>	7.00 (0.45) 2.65 (0.10) 3.15 (0.14) 1.93 (0.31)  <b>14.73 (1.00)</b>		100% amount spent through implementing agencies, except for two projects: (a) Shikshak Samman Award (b) In-Service Teacher Education Institute
3	<b>Technical Education</b>	Same as (1)	- Mahindra Ecole Centrale (MEC)	17.00	17.00 (0.00) Project/ programme expenses only. No overheads.	17.00 (0.00)	100% amount spent directly on programmes
4	<b>Education</b>	Same as (1)	- K.C.Mahindra Education Trust	Nil	0.17 (NA)	0.17 (NA)	100% amount spent through K.C.Mahindra Education Trust
				(₹ Crore )	Spent (Unspent)	Spent (Unspent)	
Three activities, through nine programmes, across 10 cities, delivered by three agencies - Tech Mahindra Foundation (TMF), Mahindra Educational Institutions (MEI) and K.C.Mahindra Education Trust.				31.50 (TMF) 17.00 (MEI)	29.74 (1.76) 17.00 (0.00)	29.74 (1.76) 17.00 (0.00)	
					0.17 (NA)	0.17 (NA)	
				<b>48.50 (total)</b>	<b>46.91</b>	<b>46.91</b>	

**Note:**

- (1) The prescribed CSR expenditure for Tech Mahindra for the financial year 2015-16 was ₹ 41.40 Crores (that is, 2% of ₹ 2,070.1 Crores).
- (2) Tech Mahindra operated with a budget of ₹ 48.50 Crores, and spent ₹ 46.91 Crores over the financial year, through three agencies – Tech Mahindra Foundation (TMF) and Mahindra Educational Institutions (MEI) and K. C. Mahindra Education Trust – A/c Nanhi Kali.
- (3) Against the mandated spend of ₹ 41.40 Crores, Tech Mahindra spent ₹ 46.91 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.**

Not Applicable.

**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.**

For Tech Mahindra Limited, Corporate Social Responsibility means responsible business practices through the involvement of all stakeholders in the decision making process and in operations. It entails having business policies that are ethical, equitable, environmentally conscious, gender sensitive, and sensitive towards the differently abled.

We have adequate systems and tools in place that go beyond regulatory requirement. In collaboration with our community, we analyze the potential impacts of our operations before setting up any new project and during any expansion of existing projects, so as to address the concerns of the community. At the end of a project, the implementing partner submits a report pertaining to the impact of the program, specifically highlighting the project milestones achieved and the quantitative and qualitative benefits generated. The project is also evaluated on milestones achieved by the CSR Committee formulated by TML. Independent Third Party Assessments are also conducted for major CSR initiatives of TML at regular intervals.

The CSR committee certifies that the implementation and monitoring of projects and programmes as per CSR Policy are in compliance with CSR objectives and policy of the Company.

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 24, 2016

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 Woman Director, 4 Non-Executive Directors and 1 Executive Director. The Chairman is a Non-Executive Director.

During the year 2015-16, four meetings of the Board of Directors were held on May 26, 2015, July 27, 2015, November 03, 2015 and February 1, 2016.

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 March 31, 2016 are given below:

Sr. No.	Name	Category	No. of Board meetings attended	Attendance at the AGM held on July 28, 2015	Directorship in other Companies <sup>1</sup>	No. of Committee positions held in other public Companies <sup>2</sup>	
						As Chairman	As Member
1.	Mr. Anand G. Mahindra	Non-Executive Chairman	4	Yes	5	0	1
2.	Mr. Anupam Puri	Independent Director	4	Yes	3	0	1
3.	Mr. Bharat N. Doshi*	Non-Executive Director	2	Yes	NA	NA	NA
4.	Mr. C. P. Gurnani	Managing Director	4	Yes	3	0	1
5.	Mr. M. Damodaran	Independent Director	4	Yes	4	2	4
6.	Mrs. M. Rajyalakshmi Rao	Independent Director	4	Yes	1	0	0
7.	Mr. Ravindra Kulkarni	Independent Director	4	Yes	7	2	6
8.	Mr. T. N. Manoharan	Independent Director	4	Yes	1	0	0
9.	Mr. Ulhas N. Yargop	Non-Executive Director	4	Yes	2	0	1
10.	Mr. Vineet Nayyar **	Non-Executive - Vice Chairman	3	Yes	4	0	0
11.	Mr. V. S. Parthasarathy ***	Non-Executive Director	2	NA	6	2	3

<sup>1</sup> Does not include private companies, foreign companies and companies established under Section 8 of the Companies Act, 2013.

<sup>2</sup> Represents Audit Committee and Stakeholders Relationship Committee in public companies, excluding that of Tech Mahindra Limited.

(\*) Ceased to be a Director with effect from July 28, 2015.

(\*\*) Retired as Executive Vice Chairman on August 09, 2015 and appointed as an Additional Director & designated as Vice Chairman with effect from August 10, 2015.

(\*\*\*) Appointed as an Additional Director with effect from August 10, 2015.

The directors of the Company are not inter-se related.

**Number of shares and convertible instruments held by Non-Executive Directors:**

The details of the equity shares and stock options of the Company held as at March 31, 2016 by the Non-Executive Directors are given below:

<b>Name of the Director</b>	<b>No. of Equity Shares</b>	<b>No. of Stock Options</b>
Mr. Anand G. Mahindra	1,88,552	-
Mr. Anupam Puri	-	60,000
Mr. M. Damodaran	1,16,000	20,000
Mrs. M. Rajyalakshmi Rao	-	60,000
Mr. Ravindra Kulkarni	44,148	20,000
Mr. T. N. Manoharan	40,000	20,000
Mr. Ulhas N. Yargop	2,03,040	40,000
Mr. Vineet Nayyar	50,20,268	36,00,000
Mr. V. S. Parthasarathy	-	-

**Independent Directors:**

The Independent Directors have confirmed that they meet the criteria of Independence as mandated by Regulation 16 (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("The Listing Regulations") and 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. During the year 2015-16 no new Independent Director was appointed.

The details of the familiarization programmes imparted to the Independent Directors are available on the website of the Company [www.techmahindra.com](http://www.techmahindra.com).

**III. COMMITTEES OF THE BOARD:**

The Board has constituted various committees with specific terms of 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 Regulation 18 of the Listing Regulations. 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 four meetings held on May 25, 2015, July 27, 2015, November 02, 2015 and February 01, 2016 during the Financial Year 2015-16.

<b>Name</b>	<b>Category</b>	<b>Number of Audit Committee meetings attended</b>
Mr. T. N. Manoharan	Chairman, Independent Director	4
Mr. Anupam Puri	Independent Director	4
Mr. M. Damodaran	Independent Director	3
Mr. Ulhas N. Yargop	Non-Executive Director	4

The Company Secretary acts as the Secretary to the Audit Committee.

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

The Audit Committee holds discussion with statutory auditors without the presence of management at its quarterly meetings.

Mr. T. N. Manoharan, the Chairman of the Audit Committee, was present at the Annual General Meeting of the Company held on July 28, 2015.

**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 Regulation 19 of the Listing Regulations.

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, Committeees 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;
- The Committee will 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.

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

There were five meetings held on May 26, 2015, July 27, 2015, August 01, 2015, November 03, 2015 and February 01, 2016 during the Financial Year 2015-16.

<b>Name</b>	<b>Category</b>	<b>Number of Nomination &amp; Remuneration Committee meetings attended</b>
Mr. Ravindra Kulkarni	Chairman, Independent Director	5
Mr. Anupam Puri	Independent Director	5
Mr. Ulhas N. Yargop	Non-Executive Director	5

The Company Secretary acts as the Secretary to the Committee.

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

**Performance Evaluation Criteria for Independent Directors:**

The key areas of evaluation of individual directors, including Independent Directors are Knowledge of business, Diligence and preparedness, Effective interaction with others, Constructive contribution to discussion and strategy, Concern for stakeholders, attentive to the internal controls mechanism and ethical conduct issues.

**Remuneration of Directors:**

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

The Governance Policies of the Company contains inter-alia policy on Remuneration to Directors.

The Non-Executive Directors are paid remuneration as recommended by the Nomination & Remuneration Committee considering the performance of the Company, the current trends in the industry, the director's participation in Board and Committee meetings during the year and such other responsibilities associated with their respective position.

The remuneration to Executive Directors includes fixed salary and variable compensation as commission as determined by the Nomination & Remuneration Committee based on achieving of various parameters set out in the agreed annual goals.

No Stock Options were granted to directors during the year. The stock option amount included in the remuneration of Directors as given in Form MGT-9 represents the perquisite value of the options exercised during the Financial Year 2015-16.

**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 Regulation 20 of the Listing Regulations. 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. During the year, two meetings were held on July 27, 2015 & February 01, 2016 which were attended by majority of the Committee members. The Company Secretary acts as the Secretary to the Committee.

The terms of reference to the Stakeholders Relationship Committee consists inter-alia the following:

- Look into the redressing of the shareholders complaints and queries and to focus on the strengthening of investor relations;
- To monitor and review the performance and service standards of the Registrar and Transfer Agents (RTA) of the Company and provides continuous guidance to improve the service levels for investors;
- Monitor and review any investor complaints received by the Company or through SEBI, SCORES and ensure its timely and speedy resolution, in consultation with the Company Secretary and Chief Compliance Officer and RTA of the Company.

The status of complaints received and resolved during the financial year 2015-16 is as under:

Pending Complaints as on April 01, 2015	Complaints received during the year	Complaints disposed during the year	Complaints pending as on March 31, 2016
0	41	41	0

Name and Designation of the Compliance Officer: G. Jayaraman, Company Secretary & Chief Compliance Officer.

**d) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The Corporate Social Responsibility Committee (CSR) of the Board of Directors meets the criteria laid down under Section 135 of the Companies Act, 2013 and Rules made therein. Mr. Vineet Nayyar, Non-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. During the year, two meetings were held on May 25, 2015 & November 02, 2015 which were attended by all the Committee members. The Company Secretary acts as the Secretary to the Committee. The Chief Executive Officer of Tech Mahindra Foundation and Chief Financial Officer of the Company are the permanent invitees to the Committee meeting.

**Terms of reference of the CSR Committee are:**

- Formulate and recommend to the Board, a CSR policy indicating the activities from the specified list of activities in Schedule VII of the Act;
- Recommend the amount of expenditure to be incurred for the chosen activities;
- Monitor the CSR Policy and activities from time to time;
- 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 July 31, 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. The Company Secretary acts as the Secretary to the Committee. The Non-Executive Vice Chairman, Managing Director and Chief Financial Officer are the invitees to the meetings of the Committee. During the year, two meetings were held on May 25, 2015 & November 02, 2015 which were attended by majority of the Committee members.

**f) INVESTMENT COMMITTEE:**

The Board of Directors constituted the Investment Committee of the Board at its meeting held on September 09, 2014. The terms of reference to the Investment Committee primarily includes consideration and approval of investment proposals, approving loans and Corporate Guarantees within the limits delegated by the Board of Directors in compliance with the provisions of the Companies Act, 2013. Mr. Vineet Nayyar, Mr. C. P. Gurnani, Mr. Ravindra Kulkarni, Mr. Anupam Puri, Mr. Ulhas N. Yargop and Mr. V. S. Parthasarathy are the other Members of the Committee. The Company Secretary acts as the Secretary to the Committee. The Chief Financial Officer and Dy. Chief Financial Officer are the invitees to the meetings of the Committee. The Committee met on December 14, 2015 which was chaired by Mr. Ravindra Kulkarni and attended by majority of the Committee members.

**g) 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:

<b>Year</b>	<b>Location of AGM</b>	<b>Date</b>	<b>Time</b>	<b>Special Resolutions passed</b>
2013	Y. B. Chavan Auditorium, General Jagannath Bhosle Marg, Nariman Point, Mumbai - 400 021.	September 26, 2013	3.30 p.m.	<ul style="list-style-type: none"> <li>- Appointment of Mr. Vineet Nayyar as Executive Vice Chairman of the Company effective August 10, 2012 for a period of 3 years.</li> <li>- Alteration of Articles of Association pursuant to Section 31 of the Companies Act, 1956.</li> <li>- Approval of Members to enhance the ceiling on holding of Foreign Institutional Investors upto 49% of paid up equity capital.</li> <li>- Approval of members for increasing the limit of grants to the associates/ employees/ directors under Restricted Stock Units scheme of erstwhile Mahindra Satyam.</li> <li>- Approval of members to amend the pricing formula of ASOP-B Scheme of erstwhile Mahindra Satyam.</li> </ul>
2014	Birla Matushri Sabhagar, 19, Marine Lines, Mumbai - 400 020.	August 01, 2014	2.00 p.m.	<ul style="list-style-type: none"> <li>- 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 April 1, 2015.</li> <li>- Approval for Employee Stock Option Plan 2014 for the benefit of employees and directors.</li> <li>- Approval for Employee Stock Option Plan 2014 for the benefit of employees of the subsidiary companies and directors.</li> <li>- 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 April 17, 2014.</li> </ul>
2015	Patkar Hall, 1, Nathibai Thackersey Road, Mumbai – 400 020.	July 28, 2015	10.00 a.m.	None

(ii) Details of Special Resolutions passed through Postal Ballots during the year 2015-16: **Nil**

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution conducted through Postal Ballot.

**V. MEANS OF COMMUNICATION:**

- The website of the Company [www.techmahindra.com](http://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 viz. Business Standard, Economic Times and Maharashtra Times. The results are also displayed on the Company's website [www.techmahindra.com](http://www.techmahindra.com). Press Releases made by the Company from time to time and the presentations if any made to the institutional investors / analysts 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are made available on the websites of the Stock Exchanges i.e. BSE Limited ([www.bseindia.com](http://www.bseindia.com)) and the National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)).

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

**VI. GENERAL SHAREHOLDER INFORMATION:**

**1. Annual General Meeting:**

Date	Tuesday, August 02, 2016
Time	3.00 P.M.
Venue	Y. B. Chavan Auditorium, General Jagannath Bhosle Marg, Nariman Point, Mumbai - 400 021.

**2. Financial year:** April 01 to March 31.

Financial Calendar:

<b>Financial reporting for</b>	<b>Tentative Board meeting schedule (subject to change)</b>
Quarter ending June 30, 2016	First fortnight of August 2016
Half year ending September 30, 2016	Second fortnight of October 2016
Quarter ending December 31, 2016	Second fortnight of January 2017
Year ending March 31, 2017	Second fortnight of May 2017
Annual General Meeting for the year ending March 31, 2017	First fortnight of August 2017

**3. Book Closure / Record Date:**

July 30, 2016 to August 02, 2016 (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 August 09, 2016.

**5. Listing on Stock Exchanges:**

The Company's equity shares are listed on The National Stock Exchange of India Limited (NSE), Exchange Plaza, C-1, Block 'G', Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 and BSE Limited (BSE), P. J. Towers, Dalal Street, Mumbai – 400 001. Listing Fee for Financial Year 2016-17 has been paid to NSE and BSE.

**6. Stock Code:**

National Stock Exchange of India Limited - TECHM  
BSE Limited - 532755

**7. International Securities Identification Number (ISIN) with Depositories viz. NSDL and CDSL for the Company's equity shares :**

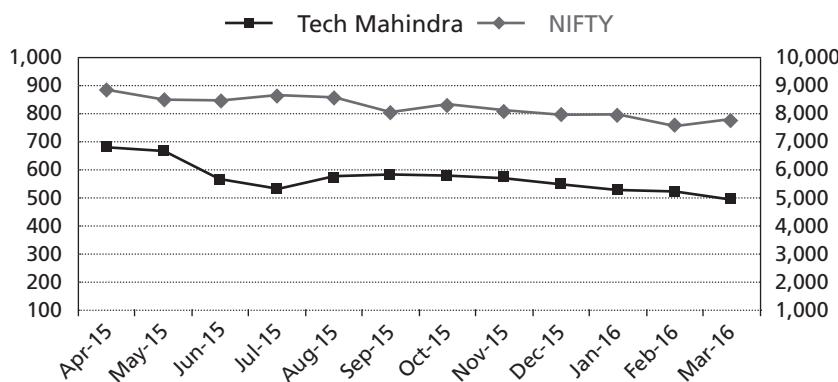
INE669C01036

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

<b>Month</b>	<b>NSE</b>		<b>BSE</b>	
	<b>High</b>	<b>Low</b>	<b>High</b>	<b>Low</b>
Apr-15	680.60	565.10	681.20	565.70
May-15	669.00	541.00	668.75	540.70
Jun-15	564.30	467.10	563.95	467.40
Jul-15	532.80	458.50	531.70	458.70
Aug-15	575.75	492.70	575.90	493.30
Sep-15	582.00	506.10	581.95	506.00
Oct-15	578.85	534.10	578.60	535.05
Nov-15	568.50	508.00	569.00	506.30
Dec-15	548.00	512.40	550.50	514.60
Jan-16	529.95	492.95	529.95	493.30
Feb-16	518.40	407.40	518.00	407.50
Mar-16	498.40	416.00	498.00	416.80

**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:



**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, 2<sup>nd</sup> 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 March 31, 2016:**

<b>No. of Equity Shares held</b>	<b>Shareholders</b>		<b>Equity shares held</b>	
	<b>No. of Shareholders</b>	<b>% to Total</b>	<b>No. of shares</b>	<b>% to Total</b>
1-500	495018	93.82	39982896	4.13
501-1000	17626	3.34	13326352	1.38
1001-2000	7790	1.48	11302274	1.17
2001-3000	2274	0.43	5634985	0.58
3001-4000	1190	0.22	4247425	0.44
4001-5000	737	0.14	3356941	0.35
5001-10000	1296	0.25	9173348	0.95
10001 & above	1672	0.32	880785848	91.00
<b>Total</b>	<b>527603</b>	<b>100.00</b>	<b>967810069</b>	<b>100.00</b>

**13. Shareholding pattern as on March 31, 2016:**

<b>Category</b>	<b>No. of shares held</b>	<b>% to Total</b>
<b>Promoters Holdings</b>	352693512	36.45
<b>Public Share Holding:</b>		
Mutual Funds	49265321	5.09
Banks, Financial Institutions & others	3632671	0.37
Foreign Institutional Investors	242295154	25.04
Bodies Corporate	16801404	1.74
NRI/Foreign Nationals	9429494	0.97
Foreign Portfolio Investor (Corporate)	124096373	12.82
Indian Public & others	169596140	17.52
<b>Total</b>	<b>967810069</b>	<b>100.00</b>

**14. Dematerialization of shares and liquidity:**

99.75% 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 March 31, 2016. 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.

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

As on March 31, 2016, 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. Commodity price risk or foreign exchange risk and hedging activities:**

While the Commodity price risk is not applicable to the Company, may please refer to Risk table in the Management and Discussion Analysis Report for the foreign exchange risk and hedging activities.

**18. 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, 2<sup>nd</sup> 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  
2<sup>nd</sup> 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

**19. Details of shares held in Demat Suspense Account:**

The disclosure under Schedule V (F) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

<b>Sr. No.</b>	<b>Particulars</b>	<b>(in Numbers)</b>
(i)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	500 Shareholders 3,37,072 Shares of ₹ 5/- each
(ii)	Number of shareholders who approached Company for transfer of shares from suspense account during the year	8 Shareholders 2252 Shares of ₹ 5/- each
(iii)	Number of shareholders to whom shares were transferred from suspense account during the year	8 Shareholders 2252 Shares of ₹ 5/- each
(iv)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	492 Shareholders 3,34,820 Shares of ₹ 5/- each

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

**20. 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 July 28, 2015 (date of last Annual General Meeting) on the website of the Company ([www.techmahindra.com](http://www.techmahindra.com)), as also on the website of the Ministry of Corporate Affairs.

**Calendar for transfer of unclaimed dividend to IEPF:**

<b>Financial Year</b>	<b>Type of Dividend</b>	<b>Date of Declaration</b>	<b>Due for transfer to IEPF</b>
2009-2010	Final Dividend	July 26, 2010	September, 2017
2010-2011	Final Dividend	August 12, 2011	September, 2018
2011-2012	Final Dividend	August 10, 2012	September, 2019
2012-2013	Final Dividend	September 26, 2013	November, 2020
2013-2014	Final Dividend	August 01, 2014	September, 2021
2014-2015	Final Dividend	July 28, 2015	September, 2022

**VII. 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 has laid down a Whistle Blower Policy with detailed process for raising concerns by any of the employees, customers, vendors & investors, addressing the concerns and reporting to the Board. The Company affirms that no personnel had been denied access to the audit committee under Whistle Blower Policy.
- iv. The Company has complied with the mandatory requirements of Corporate Governance as specified in Regulations 17 to 27 and 46(2) of Listing Regulations.
- v. The Company has complied with the following discretionary requirements as prescribed in Part E of Schedule II to the Listing Regulations:
  - a) During the year under review, the Company has moved to a regime of Financial Statements with unmodified audit opinion.
  - b) The Company appointed separate persons to the post of Chairman and Managing Director & CEO.
- vi. The policy for determining Material Subsidiaries formulated by the Board of Directors is disclosed on the Company's website [www.techmahindra.com](http://www.techmahindra.com).
- vii. 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 [www.techmahindra.com](http://www.techmahindra.com).
- viii. The members who have not registered their e-mail id 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, so, that all future communications can be sent through email.

**DECLARATION BY CEO PURSUANT TO SCHEDULE V (D) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

As required by Schedule V (D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 March 31, 2016, 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 24, 2016

Mr. C. P. Gurnani  
Managing Director

**CERTIFICATE**

**To the members of Tech Mahindra Limited**

1. We have examined the compliance of conditions of Corporate Governance by Tech Mahindra Limited (the Company), for the year ended March 31, 2016, as stipulated in:
  - Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with stock exchanges for the period from April 01, 2015 to November 30, 2015.
  - Clause 49(VII)(E) of the Listing Agreements of the Company with the stock exchanges for the period from April 01, 2015 to September 01, 2015.
  - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) for the period from September 02, 2015 to March 31, 2016 and
  - Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the period from December 01, 2015 to March 31, 2016.
2. 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 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.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements and Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2016.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

Place: Mumbai  
Date : May 24, 2016

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

## MANAGEMENT DISCUSSION AND ANALYSIS

### Company and Performance Overview

Tech Mahindra Limited (TechM) is a specialist in digital transformation, consulting and business re-engineering solutions and is a part of the USD 17.8 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 USD 4.0 billion group with 105,400+ professionals across 90 countries, delivering value to over 800 global customers including Fortune 500 Companies. TechM is also amongst the Fab 50 Companies in Asia as per the Forbes 2015 list.

TechM's revenue was at ₹ 264,942 million (USD 4,037 million) for the financial year ended March 31, 2016, registering a growth of 17.1% (9.5% in \$ terms) on YoY basis. The Company's Profit After Tax (PAT) was at ₹ 31,180 million (USD 475 million) for financial year 2015-16.

The USD 17.8 billion Mahindra group employs more than 200,000 people in over 100 countries and operates in the key industries that drive economic growth, enjoying a leadership position in tractors, utility vehicles, information technology, after-market and vacation ownership.

TechM offers a bouquet of services which includes IT Outsourcing Services, Consulting, Next Gen Solutions, Application Outsourcing, Network Services, Infrastructure Management Services, Integrated Engineering Solutions, BPO, Platform Solutions and Mobile Value Added Services. The Company's innovation platforms and reusable assets connect across a number of technologies to deliver tangible business value to its stakeholders.

TechM 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 and BSE Limited.

The Company has been sustaining business with responsibility. It's listed on DJSI - ROBECOSAM Year Book – 2015 and is one amongst the six Indian companies to make it to Global Yearbook. It's also one of the only three Indian companies to make it to DJSI World Index and one of the nine Indian Companies

to make it through the DJSI Emerging Markets Index. The Company has been ranked #1 in CDP's Carbon Disclosure Leadership Index 2015 with a score of 100/100.

### Industry Structure and Development

The global economy including both developed and emerging countries has been experiencing multiple headwinds. Economic growth has stagnated, commodity prices have declined, turbulence in currency and equity markets continues, global terrorism has spiked and unemployment haunts many countries. Uncertainty and pessimism have dominated the economic and business news in the recent times. These undercurrents of economic uncertainty are driving organizations to tighten their belts, and IT spending has been one of the casualties. At the same time, the need to invest into IT to support digital business is more urgent than ever. Companies know that they need to become digital businesses or face irrelevance in a future digital world. These challenges provide opportunities for the global technology industry.

As per the NASSCOM Strategic Report 2016, worldwide IT-BPM (excluding hardware) spend in calendar year (CY) 2015 was impacted by the volatility in global currencies resulting in a near flat growth of 0.4% which is around USD 1.2 trillion. IT services saw a slight decline in growth of 0.2% on account of the trend towards shift from the traditional IT Services outsourcing to cloud-based applications.

The India's IT-BPM services industry would grow at ~8.5% in FY 2016 – from USD 132 billion in FY 2015 to USD 143 billion in FY 2016 (excluding eCommerce), an addition of USD 11 billion. In FY 2016 with USD 108 billion versus USD 98 billion in FY 2015; the share of IT services exports to the total India's service exports is estimated at ~45% and the industry's contribution relative to India's GDP is ~9.3%. Overall, the industry is estimated to employ nearly 3.7 million people, an addition of ~200,000 people during the year. The domestic IT services at USD 35 billion in FY 2016 would grow only ~3.2% YoY on account of USD strengthening against the Indian Rupee (₹). eCommerce, a USD 16.7 billion market in FY 2016, is set to achieve close to 20% YoY growth. eTravel continues to be the flagship segment; eTailing is the fastest growing one.

The US and UK continue to be the leading customer markets for IT-BPM services with a combined share of nearly 80%. In terms of verticals, BFSI, hi-tech / telecom and healthcare services continue their investments in analytics solutions as they focus on user experience; manufacturing is showing interest in Internet of Things (IoT) / connected device technologies. Emerging verticals like retail are leveraging analytics and multi-channel strategies for a unified customer experience and healthcare in wearable technologies.

## Outlook

India's Information Technology (IT) industry body—NASSCOM, has projected a 10-12% growth for the Indian software services export segment for FY 2017, lagging the expected 12.3% (in constant currency terms and within the 12-14% band) growth forecast it had made for the financial year FY 2016. A volatile global economy and currency fluctuations, especially the weakening of Rupee against the US Dollar, continued to impact India's information technology and business process management (BPM) services segments. The industry expects double digit growth to continue in fiscal 2017 at the back of growing tech expenditure and digital technology adoption globally.

In April 2016, Gartner Inc - the world's leading information technology research and advisory company, has forecast that the worldwide IT spending to decline 0.5% in CY 2016. It expects the spending in the IT services market to return to growth in CY 2016, totalling USD 929 billion, up 2.1% from CY 2015. Telecom service spending is projected to decline 2.0% in CY 2016, with spending reaching USD 1.4 trillion. In telecom the dampening spends in both fixed and mobile voice are impacting the IT spends; however, mobile data spending is a bright spot with accelerating growth driven by improved pricing on bandwidth, mobile app and 4G/LTE network availability.

Customers in IT industry being aware of the above trends, are engaging in cost optimization efforts. The savings achieved from the legacy system optimization and enhancements are being redirected to fund digital initiatives, which means doing more with the same.

## Opportunities and Risks

India's unique value proposition as the world's number one outsourcing destination continues to hold good

at back of its strong economic value propositions. The country provides access to largest technical talent pool ensuring volume, high quality and faster time to the market. IT-BPM is a major thrust area; for the stable and democratic Government of India.

Apart from this competitive edge the Government of India is spearheading various initiatives (both internal and citizen facing) that would use technology as the foundation to service its citizens – Digital India, National e-Governance Plan (NeGP) 2.0, Smart & Safe Cities, Digital Villages, etc. India has emerged as a digital hub for the world with over 8,000 digital centric firms and 250,000 digitally skilled workforce. Further, the country itself is moving towards a connected, smart economy. It has one of largest population of middle class with 300 million+ having access to mobile internet. Industry landscape comprises over 16,000 firms. India is also maturing to become the Silicon Valley of the developing world with over 4,200 start-ups - third largest start-up community in the world. The Indian outsourcing industry, which has the largest market share of the global outsourcing market, followed by China, Malaysia and Indonesia, grew to 56% in fiscal 2016 from 55% in 2015.

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. It has established a global delivery chain of close to 670 ODCs across 78 countries. The variety and scale of the offerings in India allows multiple collaborative models to exist. The Indian technology industry is today a global 'digital skill hub'. All this together reinforces India's leadership position in the global sourcing market.

TechM sees opportunities of growth on the back of expected revival in the global economies, better offshore IT spend in most industry verticals, on-going renewal cycles of IT Services spend and adoption of digital enterprises being the new imperative across industries. The demand for acceptance of new business models, value for money services, positive outlook on discretionary spends, platform services, a stronger balance-sheet size post-merger, cross selling

opportunities to a wider client base and availability of qualified and skilled workforce, also augur well for TechM.

The other technological key growth driver that is expected to open new opportunities for TechM is the Network Services space. TechM has been investing systematically in growing its Network Services Business in the past few years. Through these investments, TechM has built a robust portfolio that addresses the engineering functions on the networks side. As part of its vision, TechM believes it can play a key role in

helping the Communications Service Providers on their priority agenda of Customer Experience Management, reduction in operations cost and technology introductions. As customers look at the future of their Managed Services Operations across both IT and Networks, TechM 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, TechM 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 strategies have been highlighted below.

Key Risk	Impact of risk	Mitigation / strategy
<b>High concentration in communication Vertical</b>	<p>For the Financial year 2015-16 (FY16); Communication Vertical had a revenue share of 52% of the total business. This is much higher when compared to leading Indian and global IT peers of TechM.</p>	<p>TechM has Communications in its DNA since its formation as a JV with British Telecom in year 1986.</p> <p>The Company until FY 2013 (that is before the merger of Mahindra Satyam) had almost 100 per cent 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. Further some of our peers also have over 40% exposure in a single vertical</p>
<b>Communication vertical witnesses cyclical spends</b>	<p>Historically IT services spend in Communications industry has been cyclical, resulting in periods of prolonged and 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.</p>	<p>While IT spends have been muted in the Global Communications space, TechM has been able to grow ahead of its peers in the Communication space.</p> <p>TechM is one of the few Global IT companies which have 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.</p> <p>The Company today, works with almost all the key Global Communications Companies.</p> <p>TechM's entry into the USD 40 billion Network Services market, opens up a completely new and untapped market with huge growth opportunities.</p>
<b>Global economy risk</b>	<p>TechM's export revenues are over 95% and it derives 47% revenue from US, 29% from Europe and 24% from the Rest of the World. The Economic growth activity in these nations could directly or indirectly impact TechM customers' IT spends. A slowdown in these economies would pose lower growth or deferred IT spends thus impacting growth for TechM.</p>	<p>TechM 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.</p> <p>Global clients prefer offshoring and India as a preferred destination for offshoring because of its compelling value proposition across people and technology.</p> <p>TechM's business has been growing while the IT services' spend in some of the verticals such as communications has been flat or negative over the past few years.</p> <p>However severe adverse Global Economic activities risks can impact any Company including Tech Mahindra and remains business risk akin to any IT services business.</p>

<b>Key Risk</b>	<b>Impact of risk</b>	<b>Mitigation / strategy</b>
<b>Regulatory changes risk</b>	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.	<p>TechM has been in the software services business for almost three decades and has been complying with the local regulations.</p> <p>The Company has adequate and well defined internal processes including contingency plans to deal with the changing regulatory environment.</p> <p>The Company has delivery centres in overseas geographies including USA and has been hiring local employees.</p> <p>TechM has been engaging with its clients on a regular basis to discuss and deal with any critical regulatory issues which might have an impact on its business.</p>
<b>M&amp;A and Integration risk</b>	The Company has a focused M&A strategy. The Company has acquired multiple companies in the past 2 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.	<p>Acquisitions and M&amp;A's have not been new to the Company.</p> <p>The Company has well laid out and defined plans and acquisition policy. It uses M&amp;A to fill up gaps in its portfolio of competency / services, verticals and client / geography access.</p> <p>TechM has a dedicated and professional M&amp;A team led by the executive Leadership.</p> <p>The Company undertakes extensive due diligence and deals are evaluated by the Board.</p> <p>Management's experience with all the acquisitions done until now has been quite satisfactory and in-line with its expectations.</p>
<b>Competition risk</b>	<p>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.</p> <p>The stiff competition can lead to pressure on pricing, vendor consolidation and hence can impact Company growth and profitability.</p>	<p>IT services companies including Tech Mahindra have been operating under competitive environment for several years.</p> <p>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.</p> <p>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.</p>

Key Risk	Impact of risk	Mitigation / strategy
<b>Technology risk</b>	<p>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.</p>	<p>TechM has been a specialist provider of connected solutions and has been investing in competencies required for a digital enterprise.</p> <p>It has identified seven technology areas of focus as part of its vision. The Digital Services portfolio of TechM is called NMACSSS – Network, Mobility, Analytics, Cloud, Security, Social Media and Sensors.</p> <p>NMACSSS is an integrated technology strategy to enable business transformation for TechM customers.</p> <p>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.</p>
<b>Employee related / Supply Side risks</b>	<p>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.</p>	<p>The Company has a strong in-house and external training curriculum which covers latest technologies and soft skills.</p> <p>The Company has been engaging with employees across locations and levels through various employee friendly initiatives.</p> <p>TechM 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.</p> <p>TechM has a comparable remuneration structure, matured HR process and various employee friendly incentives.</p> <p>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, 1000 Leaders program etc.</p>
<b>Currency risks</b>	<p>The exchange rate of TechM's major billing currencies like GBP, USD, Euro and AUD has 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.</p>	<p>TechM has a well-established hedging policy which has been followed consistently over the past years.</p> <p>Hedging is undertaken to protect the Company from unfavourable currency movements &amp; the Company does not undertake any speculative hedging. More than half of its revenue is contributed by its onsite activities and a substantial portion of overall cost is incurred onsite which provides as a natural hedge.</p> <p>The Company has a dedicated Treasury Department which seeks advice from expert professionals and banks for its hedging decisions.</p>

## **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, 2013 and Generally Accepted Accounting Principles (GAAP) in India.

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 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 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 ₹ 7,931 Million, divided into 1,586,200,000 equity shares of ₹ 5 each. The paid up share capital stood at ₹ 4,839 Million as on March 31, 2016 compared to ₹ 4,804 Million as on March 31, 2015. The increase in paid up capital during the year is due to issue of 7,021,157 shares on account of conversion of options into shares (₹ 35 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 ₹ 2,152 Million during the year is due to the amalgamation (₹ 791 Million) of the two wholly owned subsidiaries of the Company viz., Tech Mahindra BPO Limited and New vC Services Private Limited with the Company and the premium received on issue of 7,021,157 equity shares on exercise of option under stock option plan.

##### **b) General reserve**

General reserve stood at ₹ NIL as on March 31, 2016 as compared to ₹ 10,142 Million as on March 31, 2015. The reduction in General Reserve is due to reduction of ₹ 2,410 Million on account of amalgamation and transfer of ₹ 7,732 Million to surplus in Statement of Profit & Loss.

##### **c) Surplus in Statement of Profit and loss**

The surplus in the Statement of Profit and Loss as on March 31, 2016 was ₹ 92,653 Million compared to ₹ 63,559 Million as on March 31, 2015.

#### **3. Borrowings**

The Borrowings as on March 31, 2016 and March 31, 2015 are as under:

<b>Borrowings</b>	<b>₹ in Million</b>	
	<b>FY 2016</b>	<b>FY 2015</b>
Long Term	1,709	-
Short Term	576	52
<b>Total</b>	<b>2,285</b>	<b>52</b>

#### **4. Fixed Assets**

The movement in Fixed Assets is shown in the table below:

<b>As of March 31</b>	<b>₹ in Million</b>	
	<b>2016</b>	<b>2015</b>
Gross Book Value		
Land - free-hold	772	780
- lease-hold	1,793	1,791
Buildings	15,911	14,222
Leasehold Improvements	1,159	1,093
Plant & Equipments-Leased	207	167
Plant and machinery	12,894	10,922
Computer equipments:-		
Leased	2,185	-
Owned	10,705	10,193
Office Equipments	1,300	1,180
Furniture and fixtures	5,658	4,903
Vehicles:-		
Leased	55	141
Owned	233	253
Intangible assets	3,587	2,807
<b>Total</b>	<b>56,459</b>	<b>48,452</b>
Less: Accumulated depreciation & amortization	33,662	28,642
<b>Net block</b>	<b>22,797</b>	<b>19,810</b>
Add: Capital work-in-progress	6,275	5,511
<b>Net fixed assets</b>	<b>29,072</b>	<b>25,321</b>

The Net Block of Fixed Assets and Capital Work in Progress stood at ₹ 29,072 Million as on March 31, 2016 as against ₹ 25,321 Million as on March 31, 2015. During the year, the Company incurred capital expenditure (gross) of ₹ 8,513 Million (previous year ₹ 6,512 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:

₹ in Million

Investments	As at March 31	
	2016	2015
<b>Non Current Investments</b>		
<b>Investment in Subsidiaries</b>	<b>27,717</b>	<b>29,668</b>
Investment (others)	13,339	13,258
<b>Total Investments</b>	<b>41,056</b>	<b>42,926</b>
Less : Provision for diminution of value	3,093	6,617
<b>Net Investments</b>	<b>37,963</b>	<b>36,309</b>
<b>Current Investments</b>		
<b>Investment in mutual funds</b>	<b>10,490</b>	<b>4,568</b>
<b>Total Investment</b>	<b>48,453</b>	<b>40,877</b>

The Net investments (non current) as on March 31, 2016 stood at ₹ 37,963 Million as against ₹ 36,309 Million, as on March 31, 2015. During the year, Investment in Subsidiaries decreased to ₹ 27,717 Million as on March 31, 2016 as against ₹ 29,668 Million as on March 31, 2015 due to merger of subsidiaries Tech Mahindra BPO Limited and New vC Services Private Limited.

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

Investment in liquid mutual funds as at March 31, 2016 was ₹ 10,490 Million (previous year ₹ 4,568 Million).

### I. Investment in Subsidiaries

The Company has made investment in the following subsidiaries during Financial Year 2015-16:

#### a) Tech Mahindra ICT Services (Malaysia) SDN BHD

This Company was incorporated in October, 2013 as a wholly owned subsidiary of the Company for providing various services to the customer at Malaysia and their overseas customers related to Telecommunications, Computer Networks, Technology Infrastructure, IT Infrastructure Services, Data Center Operations, Engineering Services, Business Process Outsourcing (BPO), Knowledge Process Outsourcing (KPO). During the year under review, your Company infused additional equity capital of RM 10 Mn thereby total investment in the equity capital of this subsidiary stands at RM 10.645 million.

#### b) Tech Mahindra Growth Factories Limited

During the year under review, the Company has incorporated a wholly owned subsidiary in India namely Tech Mahindra Growth Factories Limited (U72200MH2015PLC269129). The Company was formed in October 2015 for the purpose of providing computer softwares, applications and programmes of all kinds, Internet / Intranet services and applications and programmes including all types of software as a service (SAAS) (through cloud), providing services to integrate systems solution, developing, creating and operating web based employment services portal, virtual market place portals and Cloud based software platforms to various types of users, customers. Your Company invested ₹ 97.5 million in the equity share capital of this Company.

#### c) Tech Mahindra Servicos De Informatica Ltda, Brazil

During year under review, your Company had invested an amount of US\$ 5.76 million in its wholly owned subsidiary in Brazil towards meeting the payment obligations to the sellers of its subsidiary Company viz., Complex IT and also to meet the working capital requirements.

#### AMALGAMATION OF WHOLLY OWNED SUBSIDIARIES WITH THE COMPANY

During the current financial year, pursuant to the Scheme of Amalgamation (the "Scheme") sanctioned by the Honorable High Court of Bombay vide its order dated March 04, 2016, the

two wholly owned subsidiaries of the Company, Tech Mahindra BPO Limited ("TMBL"), and New vC Services Private Limited (New vC), merged with the Company with effect from April 01, 2015 (the "appointed date"). The Scheme came into effect on March 29, 2016, the day on which the order was filed with the Registrar of Companies, and pursuant thereto the entire business and all the assets and liabilities, duties, taxes and obligations of both the transferor companies have been transferred to and vested in the Company with effect from April 1, 2015. Upon this Scheme becoming effective, the authorised share capital of the Company is increased to ₹ 7,931,000,000/- (Rupees Seven Hundred Ninety Three Crores and Ten Lakhs Only) divided into 1,586,200,000 (One Hundred Fifty Eight Crores and Sixty Two Lakhs Only) equity shares of ₹ 5/- (Rupees Five) each.

## 6. Deferred Tax Asset

Deferred tax asset as at March 31, 2016 was at ₹ 3,857 Million as compared to ₹ 2,880 Million as of March 31, 2015. 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 were ₹ 51,544 Million (net of provision for doubtful debts of ₹ 4,212 Million) as of March 31, 2016 as compared to ₹ 42,408 Million (net of provision for doubtful debts of ₹ 3,170 Million) as of March 31, 2015. Debtor days as of March 31, 2016 (calculated based on per-day sales in the last quarter) were 102 days as compared to 104 days as of March 31, 2015.

## 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.

Particulars	₹ in Million	
	As of March 31 2016	2015
Bank balances in India & Overseas		
- Current accounts	9,224	10,517
- Deposit accounts	23,624	7,678
<b>Total cash and bank balances*</b>	<b>32,848</b>	<b>18,195</b>

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

## 9. Loans and Advances

Loans and advances as on March 31, 2016 were ₹ 28,168 Million compared to ₹ 28,217 Million as on March 31, 2015. 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 ₹ 56,374 Million as of March 31, 2016 including long term liabilities and provision of ₹ 3,466 Million and short term / current liabilities and provisions of ₹ 52,908 Million compared to ₹ 45,248 Million including long term liabilities and provision of ₹ 3,293 Million and short term / current liabilities and provisions of ₹ 41,955 Million as of March 31, 2015.

## 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 2016		Fiscal Year 2015	
	(₹ in Million)	% of Total Income	(₹ in Million)	% of Total Income
<b>INCOME</b>				
Revenue from Services	209,698		191,627	
Other Income	11,084		1,245	
<b>Total Income</b>	<b>220,782</b>	<b>100</b>	<b>192,872</b>	<b>100</b>
<b>EXPENDITURE</b>				
Personnel Cost	74,101	33.56	72,012	37.34
Subcontracting Expenses	78,028	35.34	64,182	33.28
Operating and Other Expenses	23,432	10.61	22,774	11.81
Depreciation	5,455	2.47	4,733	2.45
Interest	533	0.25	479	0.24
<b>Total Expenditure</b>	<b>181,549</b>	<b>82.23</b>	<b>164,180</b>	<b>85.12</b>
<b>Profit before tax and exceptional items</b>	<b>39,233</b>	<b>17.77</b>	<b>28,692</b>	<b>14.88</b>
Provision for Taxation	7,033		6,743	
<b>Profit after taxation and before exceptional item</b>	<b>32,200</b>	<b>14.58</b>	<b>21,949</b>	<b>11.38</b>
Exceptional items	-		613	
<b>Net profit for the year</b>	<b>32,200</b>	<b>14.58</b>	<b>22,562</b>	<b>11.70</b>

### 1. Revenue

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

The revenue increased to ₹ 209,698 Million in fiscal 2016 from ₹ 191,627 Million in fiscal 2015, a growth 9.4%. 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 Tech Mahindra BPO Limited and New vC Services Private Limited effective April 1, 2015.

#### Consolidated Revenue

Consolidated Revenue for fiscal 2016 was ₹ 264,942 Million compared to ₹ 226,213 Million last fiscal, a growth of 17.1%.

#### Consolidated revenue by Geography

Revenue from the Americas was 47% in fiscal 2016 compared to 47% in fiscal 2015 while the share of revenue attributable to the Europe was 29% in fiscal 2016 compared to 31% in the previous year. Revenue from Rest of the World (including India) as a percentage of total revenue was 24%

in fiscal 2016 compared to 22% in fiscal 2015.

#### Consolidated Revenue by Segment

For fiscal 2016, 93% of revenue came from IT services, whereas 7% of revenue came from BPO services. The revenue share for fiscal 2015 from IT & BPO services was 92% & 8% 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 ₹ 11,084 Million in fiscal 2016 compared to ₹ 1,245 Million in fiscal 2015. The increase in other income was due to dividend received from subsidiaries during fiscal 2016 and foreign exchange gain as opposite to loss in previous year.

### 3. Expenditure (Standalone)

<b>Particulars</b>	<b>Fiscal Year 2016</b>		<b>Fiscal Year 2015</b>	
	₹ (in Million)	% of Total Income	₹ (in Million)	% of Total Income
Personnel Cost	74,101	33.56	72,012	37.34
Subcontracting Expenses	78,028	35.34	64,182	33.28
Operating and Other Expenses	23,432	10.61	22,774	11.81
Depreciation	5,455	2.47	4,733	2.45
Interest	533	0.25	479	0.24
<b>Total Expenses</b>	<b>181,549</b>	<b>82.23</b>	<b>164,180</b>	<b>85.12</b>

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.

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 ₹ 533 Million in fiscal 2016 as compared to ₹ 479 Million in fiscal 2015.

### 4. Profit before tax

Profit before tax and exceptional item was ₹ 39,233 Million in fiscal 2016 compared to ₹ 28,692 Million in fiscal 2015. Profit before tax as a percentage of total income was 17.8% in fiscal 2016 compared to 14.9% in fiscal 2015.

### 5. Income taxes

The provision for income tax for the year ended March 31, 2016 was ₹ 7,033 Million as compared to ₹ 6,743 Million in the previous year. The effective tax rate in these years was 17.9% and 23.5% respectively. Lower rate of tax in fiscal 2016 was due to higher SEZ income and exempted income from dividend from subsidiaries.

### 6. Profit after tax

Profit after tax was ₹ 32,200 Million in fiscal 2016 as compared to ₹ 22,562 Million in fiscal 2015. Profit after tax as a percentage of revenue was 15.4% in fiscal 2016 and 11.8% in fiscal 2015.

### Consolidated PAT

Consolidated PAT for the fiscal 2016 was ₹ 31,180 Million as compared to ₹ 26,277 Million last fiscal 2015. PAT as a percentage of revenue was 11.8% in fiscal 2016 compared to 11.6% in fiscal 2015.

### C. CASH FLOW

<b>Particulars</b>	<b>₹ in Million</b>	
	<b>2016</b>	<b>2015</b>
Net cash flow from operating activities*	28,828	20,685
Net cash flow from (used in) investing activities	(10,889)	(17,017)
Net cash flow from (used in) financing activities	(7,918)	(7,310)
Cash and cash equivalents at the beginning of the year	7,003	9,996
Increase in cash & cash equivalent on Amalgamation	55	649
Cash and cash equivalents at the end of the year	17,079	7,003

\* 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, Business Intelligence and Analytics packages 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 2,151 professionals through campus recruitment and lateral hiring. The global headcount of the Company as on March 31, 2016 was 105,432 as compared to 103,281 as on March 31, 2015.

The IT attrition was 20% during the year as compared to 19% 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 and 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.

## **BUSINESS RESPONSIBILITY REPORT**

(As per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

### **SECTION A: GENERAL INFORMATION ABOUT THE COMPANY**

**1. Corporate Identity Number (CIN) of the Company**

L64200MH1986PLC041370

**2. Name of the Company**

Tech Mahindra Limited

**3. Registered address**

Gateway Building, Apollo Bunder,  
Mumbai – 400 001. Tel: +91 22 22895500

**4. Website**

www.techmahindra.com

**5. E-mail id**

investor.relations@techmahindra.com;  
corporatesustainability@techmahindra.com

**6. Financial Year reported**

April 01, 2015 - March 31, 2016

**7. Sector(s) that the Company is engaged in (industrial activity code-wise)**

620 - Computer Programming, Consultancy and Related services.

**8. List three key products / services that the Company manufactures / provides (as in balance sheet)**

Telecom Services, Consulting, Application Outsourcing, Infrastructure Outsourcing, Engineering Services, Business Services Group, Platform Solutions and Mobile Value Added Services.

**9. Total number of locations where business activity is undertaken by the Company**

Refer to page no. 59 in the Annual report

**10. Markets served by the Company – Local/State/National/International**

Refer to Management Discussion and Analysis Report at page no. 59 in the Annual report

### **SECTION B: FINANCIAL DETAILS OF THE COMPANY**

**1. Paid up Capital ₹ 483.9 Crores**

**2. Total Turnover ₹ 20,969.8 Crores**

**3. Total profit after taxes ₹ 3,220 Crores**

**4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)**

- more than 2%
- Tech Mahindra's spending in Corporate Social Responsibility is substantially higher than the amount mandated under Companies Act, 2013. Tech Mahindra spent ₹ 46.91 Crores against the mandated spend of ₹ 41.40 Crores.

**5. List of activities in which expenditure in 4 above has been incurred:-**

Refer Annexure VIII to Directors Report at page no. 43

### **SECTION C: OTHER DETAILS**

**1. Does the Company have any Subsidiary Company/ Companies?**

Yes. The Company has 144 Subsidiary Companies and 4 Associate Companies as on March 31, 2016.

**2. Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

Yes. Our Sustainability report released every year extends only to our India operations as also the initiatives done by the Tech Mahindra Foundation. But our policy on Code of Conduct and the Corporate Governance policies are followed by the Company as well as by all subsidiary companies (except for Tech Mahindra Business Services Ltd, COMVIVA Technologies Ltd, Satyam Venture Engineering Services Pvt Ltd, Lightbridge Communication Corporation, Sofgen Holding Ltd, FixStream Inc and their subsidiaries) albeit with modifications depending upon the business requirement of the country they are operating in.

**3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

Yes. The suppliers and vendors are important stakeholders of your Company and we value our collaborations with them. We have a Supply Chain Management policy along with a Supplier Code of Conduct policy which extends to all suppliers who conduct business with us. We also have capacity building workshops for our top 20 suppliers (who garner 80% of the market spend) on the importance of a sustainable supply chain, human rights and labor laws and the global trend in the green supply chain. The Company aims to help suppliers understand the importance of sustainable development as well as create a platform for all stakeholders to discuss their concerns and challenges.

The % of total number of Tech Mahindra vendors covered here is less than 30%.

## SECTION D: BR INFORMATION

### 1. Details of Director / Directors responsible for BR

(a) Details of the Director / Director responsible for implementation of the BR policy / policies

**1. DIN Number:**00018234

**2. Name** :Mr. C. P. Gurnani

**3. Designation:**Managing Director & CEO

(b) Details of the BR head

Sr. No.	Particulars	Details
1	DIN Number (if applicable)	NA
2	Name	Sandeep Chandna
3	Designation	Chief Sustainability Officer
4	Telephone number	09923796467
5	e-mail id	sandeepch@techmahindra.com

### 2. Principle-wise (as per NVGs) BR Policy/policies

Tech Mahindra has in place the Business Responsibility Policy [http://www.techmahindra.com/investors/corporate\\_governance.aspx](http://www.techmahindra.com/investors/corporate_governance.aspx) which addresses the 9 principles as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business. This policy is applicable to all Tech Mahindra associates and ensures our business practices are governed by these principles.

- P1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- P3: Businesses should promote the wellbeing of all employees.
- P4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- P5: Businesses should respect and promote human rights.
- P6: Businesses should respect, protect, and make efforts to restore the environment.
- P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- P8: Businesses should support inclusive growth and equitable development.
- P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1: Ethics and Transparency	P2: Sustainable Services	P3: Wellbeing of employees	P4: Responsiveness to Stakeholders	P5: Respect Human Rights	P6: Environmental Responsibility	P7: Public policy advocacy	P8: Support inclusive growth	P9: Engagement with Customers
1.	Do you have a policy / policies for....	Y	Y	Y	Y	Y	Y	Y Note 1	Y Note 2	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y Note 3	N Note 3	Y
3.	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	NA	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/ CEO/ appropriate Board Director?	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4	Y Note 4
5.	Does the Company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	Y Note 5	Y Note 5	Y Note 5	Y Note 5	Y Note 5	Y Note 5	Y Note 5	Y Note 5	Y Note 5
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

**Note 1:** *There is no distinct policy on public advocacy. However, details of our advocacy stance is part of our Sustainable Policy.*

**Note 2:** *There is no separate policy, but is included in our CSR and Sustainability policy.*

**Note 3:** *While there is no formal consultation with all stakeholders, the relevant policies have evolved over a period of time by taking inputs from concerned internal stakeholders.*

**Note 4:** *As per the approval matrix of the Company, policies are approved by the concerned Head of the department.*

**Note 5:** *All Tech Mahindra policies are uploaded on the BMS site on the Tech Mahindra intranet for the information and implementation by the internal stakeholders. They are also available on the Tech Mahindra website [http://www.techmahindra.com/investors/corporate\\_governance.aspx](http://www.techmahindra.com/investors/corporate_governance.aspx), <http://www.techmahindra.com/company/Sustainability.aspx>, <http://www.techmahindra.com/society/default.aspx>.*

### 3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

#### **Within 3 months**

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Tech Mahindra has been publishing its standalone Sustainability Report since 2013-14. The Report as per the GRI framework is published annually according to the GRI G4 guidelines and are accessible on the Company website <http://www.techmahindra.com/company/Sustainability.aspx>

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1

#### 1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

The Company has well-defined Code of Conduct policies for Directors as well as for employees of the Company, Joint Ventures and NGOs that completely cover all issues relating to ethics, bribery and corruption. Tech Mahindra also has a separate Supplier Code of Conduct policy for all our suppliers, vendors and companies who provide us with products and services.

#### 2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

There were 331 Whistle blower complaints received during the financial year 2015-16, of which 226 complaints relate to fake offer letters from unknown sources. The balance complaints were satisfactorily resolved by the management.

### Principle 2

#### 1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

	Product	Social/ Environmental Benefits
1	Saral Drishti: sZenseEYE	Smart Goggles for the Visually Impaired: aids the visually challenged in hands-free navigation, effectively and intuitively using its Sensory Feedback Technology and Smart Computer Vision Algorithms.
2	Saral Suraksha: FightBack	India's web & mobile application for women's safety sends SOS alerts with a 'Tap of a Button'. Has a wearable GPS device which is paired with the user profile and so works without the app too. Integrated with backend customer care 24x7 and is supported by ambulance and police via the 108 service.
3	MaaS	Microgrid as a Service solution encourages the use of renewable energy. Integrates renewable energy sources with Grid-based energy so that customers receive reliable energy all the time. Also looks at the market price of energy sources and provides the cheapest available energy to customers thus reducing their energy bills.
4	Smart Parking	Green and hassle-free solution for parking management system for premises/ buildings/ cities using Sensor technology (IoT). A complete ecosystem where the user can reserve parking space in advance using an app for a problem-free parking experience. The parking space owner can also see the parking lot status dynamically on his dashboard.

**2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):**

- (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?
- (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Tech Mahindra being a Software Services Company, these details are negligible

**3. Does the Company have procedures in place for sustainable sourcing (including transportation)?**

Yes, the Company has procedures in place for sustainable sourcing including transportation.

- (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Tech Mahindra has a Sustainable Supply Chain Management policy and the Suppliers Code of Conduct policy which have to be stringently followed by our vendors. Tech Mahindra prefers suppliers with sustainable practices and ability to deliver on key strategic growth initiatives.

- The procurement team ensures that all laptops, desktops and other electrical appliances procured are of high quality and have the highest energy efficiency. The energy efficient laptops & desktops ensure that there is a clear cost saving ranging from 30%-65% against usage of standard non-efficient laptops and desktops.
- Our supplier analysis also takes into account the sourcing strategy of the supplier and proximity of the supplier to the location where the order request has been raised so as to improve logistics and save time, cost & emissions from unwanted transportation through longer routes.
- A significant proportion of our procurement spend is on construction

of new facilities and campuses. Our Chennai campus is LEED Gold certified. Procurement norms of the LEED standard require that we procure construction materials and equipment that meet the required environmental norms and standards in Energy and Water Efficiency, Waste Management and Impact on Biodiversity.

- We conduct supplier audits which help us understand the potential risks within the Supply Chain from ESG perspective. Suppliers who can strategically help in adaptation to new technology and procedures for newly constructed campuses & buildings are preferred.

**4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

All IT suppliers of Tech Mahindra are MNCs and so the IT goods cannot be sourced locally. But the Company encourages sourcing non-IT goods and services from local suppliers. The Tech Mahindra Sustainable Supply Chain Management policy includes a clause on procurement of goods and services from local and small communities. During supplier evaluation process, if all other factors are on par between potential suppliers, then the Company will give preference to the local supplier or small producer and thus procure goods locally. For consumable and operational services, the Company prefers to connect with local vendors to supply the necessary manpower and other requirements.

- (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Tech Mahindra conducts capacity training workshops for our suppliers touching upon topics such as Human rights and Labour laws, the global trend in green supply chain and Anti-corruption. Through this capacity building workshop Tech Mahindra aims to help suppliers understand the importance of sustainable development as well as create a platform for all stakeholders to discuss their concerns and challenges.

**5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

Yes, > 10%. The Company has a mechanism to recycle waste but since we do not manufacture products we don't deal with product recycling.

**Water:** Sewage Treatment Plants are set up at 8 major facilities to recycle and treat waste water. The campuses that have STP installed are Zero Discharge Facilities and recycle the sewage generated completely. The total volume of water recycled in Financial Year 2015-16 is 405139.2 KL and this was reused for non-operational purposes like landscaping.

**E-waste:** The E-waste generated includes defunct computers, monitors, servers, electronic and electrical items. For India operations, management of E-waste is as per E-waste Management policy which complies with the Government of India's E-waste (Hazardous Waste Handling and Management) Rules, 2011. The E-waste is disposed off for recycling through government authorized certified vendors. Financial Year 2015-16 saw 121.35 ton of E-waste sent for recycling through an authorized vendor.

**Other waste:** Scrap waste comprising of plastic, office waste, packaging and paper is given to vendors for recycling. Vermicomposting of wet waste has yielded 53.7 tons of manure that was used for landscaping. The food waste generated in cafeterias is given to the vendors to generate fertilizers and animal feed.

### Principle 3

(These are the details of only Tech Mahindra Limited)

1. Please indicate the Total number of employees. **88417**
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis. **6973**
3. Please indicate the Number of permanent women employees. **26592**
4. Please indicate the Number of permanent employees with disabilities **49**
5. Do you have an employee association that is recognized by management.

We do not have any employee association recognized by the management in India.

6. What percentage of your permanent employees is members of this recognized employee association?

NA

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/ forced labour/ involuntary labour	0	0
2	Sexual harassment	26	1

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

(We have also included the Behavioral trainings given to the non-IT employees here).

- (a) Permanent Employees - **90.09%**
- (b) Permanent Women Employees - **88.75%**
- (c) Casual/Temporary/Contractual Employees - **52.17%**
- (d) Employees with Disabilities – **89.80%**

### Principle 4

1. **Has the Company mapped its internal and external stakeholders? Yes/No**

Yes, the Company has classified and prioritized our internal and external stakeholders

- Academia
- Associates
- Customers, Clients and Partners
- Government Bodies
- Investors and Shareholders

- Industry Bodies
- NGOs, CBOs and Beneficiary Communities
- Suppliers and Vendors
- General Public

**2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.**

Yes, the Tech Mahindra foundation has clearly identified marginalized stakeholders:

- a) Children and youth from disadvantaged backgrounds
- b) Girls/young women
- c) Persons with disabilities

**3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

The CSR focus of Tech Mahindra Limited is 'Empowerment through Education'. Under this broad theme, the Tech Mahindra Foundation works with the disadvantaged community in each area of work including education and employability.

- a) School education: Tech Mahindra Foundation's work in School Education is carried out under the ambit of following programmes
  - ARISE, All Round Improvement in School Education
  - ARISE+, ARISE for people with disabilities
  - Shikshaantar
  - Shiksha Samwardhan
- b) The Foundation's initiatives in Employability fall under its flagship programme called Skills for Market Training or SMART. The initiatives include –
  - SMART
  - SMART+ or SMART for people with disabilities
  - SMART-T or SMART for technical training
  - SMART ACADEMY

#### **Principle 5**

**1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Policies on Human Rights including the Code of Ethical Business Conduct, Anti-Sexual Harassment and the Whistleblower policies along with the group Business Responsibility policy cover all aspects on Human Rights for the Company and also extend to all stakeholders of Tech Mahindra.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

There were no employee complaints regarding the violation of human rights in Tech Mahindra.

#### **Principle 6**

**1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

No, all policies relating to Environmental protection applies to all levels of the organization across Tech Mahindra facilities excluding Sales and Client Offices. Tech Mahindra policies are in sync with the Mahindra & Mahindra Group environmental policies.

**2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

Yes, the Company has strategies/ initiatives to address global environmental issues such as climate change & global warming. Please refer to the details in the Sustainability Report & Sustainability Brochure on the below link: <http://www.techmahindra.com/company/Sustainability.aspx>.

**3. Does the Company identify and assess potential environmental risks? Y/N**

Yes, we have a continuous process of identifying, assessing and monitoring environmental risks across all locations. At Tech Mahindra, Risk assessment is broadly entrusted with the Enterprise Risk Management team in conjunction

with various business functions. The risks identified are regulatory, physical & non-tangible risks.

- Weather-related risks on our associates, facilities and operations
- Natural Disasters affecting our Business operations which includes Associates
- Occupational Health and Safety risks
- Brand Reputation
- Changing consumer behavior
- Climate Change Risk

**4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

No

**5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

Yes, we do have a roadmap to reduce emissions through various initiatives which addresses energy efficiency and renewable energy. Please refer to the details in the Sustainability Report & Sustainability Brochure on the below link: <http://www.techmahindra.com/company/Sustainability.aspx>.

**Renewable Energy**

- Carbon Emission savings of **1830.95 MTCO<sub>2</sub>** from the **2442 kWh** capacity solar plants at our campuses in Hyderabad, Chennai and Pune
- Carbon Emission savings of **121.21 MTCO<sub>2</sub>** & electricity generated **147825 kWh** through the solar heaters at our campuses in Hyderabad and Pune

**Energy Saving Initiatives**

- Installation of **4277** Occupancy Sensors at Pune, Hyderabad, Noida & Chennai campuses saved electricity of **1159067 kWh** with Carbon Emission savings of **950.43 MTCO<sub>2</sub>**

- Heat Recovery Wheels in Air-conditioning
- Replacing of CFL fittings with **6312** LED fittings in a phased manner
- Switching "OFF" Lifts every Friday
- VRF Air-conditioning equipment installed
- Restriction on Air conditioning operation during non-working hours
- Switching of redundant transformers during weekends

**Travel**

- Reducing travel through stringent policies coupled with awareness on usage of Lync, Live meeting Video Conferencing/Tele presence
- Encouraging employees to utilize either the transport facility provided by the organization or public transport
- Promoting the use of Car pool tool to reduce the fuel consumption and vehicular emissions
- Periodic free pollution check for the vehicles of Associates/Vendors

**IT**

- Offering entire gamut of options like Cloud solutions, data center consolidations to help our customers reduce greenhouse gases.
- Developing Mobile Apps for developing smarter solutions in going green.
- Replacing old hardware with new technology which helps us to reduce power consumption and improved efficiency. 70% reduction in power consumption when compared to conventional systems.
- Server virtualization: The Infrastructure Management Services team has virtualized 4068 servers

**6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

The Company received a show cause notice from SPCB on April 18, 2015 which was responded on May 6, 2015.

**Principle 7**

**1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

Yes, Tech Mahindra is a member of the following trade and chamber or association

- (a) National Association of Software and Services Companies(NASSCOM)
- (b) Confederation of Indian Industry (CII)

Tech Mahindra is also part of the following forums through our association with the larger Mahindra & Mahindra group.

- (c) World Resources Institute (WRI)
- (d) Carbon Pricing Leadership Coalition (CPLC)
- (e) The Energy and Resource Institute (TERI)

**2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

Tech Mahindra is part of various forums that advocate the cause of sustainability and climate change actions. Tech Mahindra likes to keep abreast of the latest developments in this field and explore more opportunities to work on sustainability aspects in collaboration with industry bodies. Tech Mahindra interacts and engages with businesses and the government to address issues of sustainability, environmental degradation, climate change and inclusion among others to try bring about a transformation. As one of the first few organizations to achieve a carbon disclosure score of 100 this year, we have

publicly shared the key actions undertaken by Tech Mahindra to achieve this. Tech Mahindra supports the CII's sustainability program of bringing transformation through policy advocacy, knowledge creation, knowledge dissemination and 'on-ground' model projects. Tech Mahindra aligns itself with NASSCOM's report on 'Sustainable Tomorrow – Harnessing ICT Potential' where our solutions are positioned as key enablers to help customers achieve goals of climate change and environment sustainability. With an increasing domestic policy push on renewable energy and rising fuel levies, Tech Mahindra is also in the process of exploring applying an internal carbon price to address risks and opportunities related to climate change policies. Tech Mahindra was part of a workshop with WRI which aimed to bring together international and Indian businesses to facilitate the development of best practice guidance and other tools and resources on implementing a voluntary corporate carbon pricing program.

**Principle 8**

**1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

All social initiatives and projects are handled through the Tech Mahindra Foundation which focuses on three areas of development – school education, employability and technical education. It has been running 150+ projects with 100+ partners across India and has reached out to 80,000 primary and 400,000 secondary/tertiary beneficiaries. The Foundation has an inclusive approach wherein it also supports disabled children and youth in its programmes. Through SMART+ and ARISE+ programme, the Foundation helps disabled children and youth gain education, earn an income and live independently.

The internal associates' team, JOSH also takes up social activities as part of its programs and encourages volunteering by associates in the nearby areas. Tech Mahindra HR invites associates to be part of the Employee Social Responsibility Options (ESRO) initiative where the associate can get funding for the NGOs where they have been volunteering over a sustained period of time.

**2. Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?**

The Tech Mahindra Foundation works with around 100 partners across India. A few select projects are implemented through the in- house Tech Mahindra Foundation team.

**3. Have you done any impact assessment of your initiative?**

Yes, an external agency, KPMG conducted an impact assessment of the Employability (SMART) programme. They reported a Social Return on Investment (SROI) of 13.29 for the SMART vocational training programme.

**4. What is your Company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken?**

The spend by the Tech Mahindra Foundation during Financial Year 2015-16 is ₹ **29.74 Crores** on its Education and Employability programme. The spend on Technical Education by Mahindra Educational Institutions is ₹ **17 Crores**.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

Sustainability is one of the key elements in the design and vision of the Foundation's initiatives. The community is involved with the interventions from inception and through the process of implementation. The SMART program involves young adults from the community. They actively participate in the program and spread the word in their respective communities. The success of these youth from the SMART centres encourage people in these communities to encourage their children also to be part of this programme.

**Principle 9**

**1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year?**

For Financial Year 2015 - 16, we have addressed all customer complaints and there are no major customer grievances pending.

Our customer centric culture spans across the organization ensuring better services, experience and a better value for money for our customers. Customer escalations and complaints are treated with utmost importance in the organization. The Customer Centricity Office tracks all critical customer escalations and expedites the necessary actions required to close these complaints quickly. We have a Chief Customer Officer who proactively manages all customer escalations. His contact details are updated on the external Tech Mahindra website [http://www.techmahindra.com/company/customer\\_centricity\\_office.aspx](http://www.techmahindra.com/company/customer_centricity_office.aspx) for easy access and connect with all our customers.

**2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

N.A. Tech Mahindra delivers IT services and is not a product Company.

**3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

There has been no case filed by any customer against Tech Mahindra regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years.

**4. Did your Company carry out any consumer survey / consumer satisfaction trends?**

Yes, our customer-centric initiatives include meeting customers pro-actively to understand the pulse on the ground, monitoring customer concerns and measuring customer satisfaction through a customer survey known as NPS (Net Promoter Score) or CaPS (Customer as Promoter Score) via a third party. We also run the P-Sat (Project Satisfaction Survey) for all our projects.

## **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 31st March, 2016, 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 for the year then ended.

#### **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 prescribed under section 133 of the Act, as applicable.

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 and the Order under section 143 (11) of the Act.

We conducted our audit of the standalone financial statements 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. 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 audit opinion on the standalone financial statements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, 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 31st March, 2016, and its profit and its cash flows for the year ended on that date.

## **Emphasis of Matter**

We draw attention to the following note to the financial statements:

Note 25 in respect of certain matters relating to erstwhile Satyam Computer Services Limited (erstwhile Satyam), amalgamated with the Company with effect from April 1, 2011 which are discussed below:

During the year the Additional Chief Metropolitan Magistrate cum Special Sessions Court, Hyderabad vide common judgement on April 9, 2015 convicted the accused persons in 3 separate complaints instituted by the Central Bureau of Investigation (CBI), which also covered the matters investigated by the Serious Fraud Investigation Office (SFIO). The Company was not named as an accused in the proceedings and in the said judgment. The Management does not believe there will be any further proceedings against the Company in this respect. The Company Law Board vide its further Order dated March 1, 2016 has also struck off the name of the Company from the array of respondent in the petition filed by the Ministry of Company Affairs (MCA).

Further, as explained in note 25 to the financial statements, certain non-compliances and breaches of various laws and regulations by the erstwhile Satyam under the former Management (prior to Government nominated Board) identified by the various agencies have been responded to/appropriately addressed in earlier years and no further communication has been received by the Company on these matters and with the passage of time, the Company does not expect any further proceedings in this regard.

The Company's management on the basis of current legal status and external legal opinion, as more fully described in note 25 to the financial statements, has concluded that (i) claims made by 37 companies in the City Civil Court for alleged advances amounting to ₹ 12,304 million made by these companies to erstwhile Satyam, and presented separately under 'Suspense account (net)' and (ii) the claims to these advances filed by Enforcement Directorate under the Prevention of Money Laundering Act in the High Court of Andhra Pradesh will not sustain on ultimate resolution by the respective Courts as explained in the note.

Our opinion is not qualified in respect of this matter.

## **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) 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) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
  - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 24, 25 and 30 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.

2. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government in terms of Section 143(11) of the Act, we give in Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Place: Mumbai, India  
Date: May 24, 2016

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

## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

### **Re: TECH MAHINDRA LIMITED**

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

#### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of Tech Mahindra Limited (the Company) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company;

and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: Mumbai, India  
Date: May 24, 2016

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

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

(Referred to in paragraph 2 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.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed/ Possession Certificate/ Lease agreement/ Encumbrance Certificate provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except the following:

₹ in Million

<b>Particulars of the land and building</b>	<b>Gross Block as at the Balance Sheet date</b>	<b>Net Block as at the Balance Sheet date</b>	<b>Remarks</b>
Leasehold Land located at IT/ITES Industrial Area, Devanahalli Bangalore - 562110 admeasuring 101,173 square metres	643.68	637.17	As per information given to us, Lease agreement is yet to be entered into by Karnataka Industrial Areas Development Board (KIADB) with the company, pending for few clauses to be agreed mutually between the company and KIADB.
Freehold land located at Bahadurpally, Survey No. 62/1A, Qutubullapur Mandal, Bahadurpally Village, District - Ranga Reddy, Hyderabad – 500043 admeasuring 581,711 square metres	167.98	167.98	As per the information given to us, after payment of the stamp duty to Registrar of state of Andhra Pradesh the split of state of Andhra Pradesh into State of Andhra Pradesh and state of Telangana occurred due to which jurisdiction of Registration office has also changed therefore the final demand is not crystallized and Andhra Pradesh High Court order is not adjudicated.
Freehold land located at Infocity SEZ, Tower - I & II Plot No. 22 to 34, Hi-Tech City, Layout, Madhapur, Hyderabad - 500081 admeasuring 79,804 square metres	141.65	141.65	
Freehold land located at Survey No. 44 P, Near Bullaiah College, New Resapuvanipalem Village, Visakhapatnam - 530003 admeasuring 29,844 square metres	79.83	79.83	

₹ in Million

<b>Particulars of the land and building</b>	<b>Gross Block as at the Balance Sheet date</b>	<b>Net Block as at the Balance Sheet date</b>	<b>Remarks</b>
Leasehold land located at Plot No. S - 1, Maitree Vihar Road, Chandrasekharpur, Bhubaneswar - 751023, admeasuring 55,600 square metres	4.86	4.20	As per the information given to us upon issues of letter to the company from General Administration Department of Government of Odisha the Company has to pay Transfer fee based on the value of the property to General Administration Department of Government of Odisha. On such payment the property will be registered in the revenue records.
Leasehold Land located at Survey no. 1(P), 3(P), 8(P), 40(P), 71(P), 109, 152(P), MIHAN SEZ Area, Nagpur - 441108, admeasuring 518,241 square metres	470.27	444.01	As per the information given to us, the Company is awaiting for adjudication certificate. Mutation proceeding will be initiated after the adjudications certificate is received from the authority.
Freehold Land Survey No. 35/1/1B, 48/2A and 48/2C, Bavdhan, Taluka Haveli, Pune, admeasuring 55,606 square metres	126.16	126.16	

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

- (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, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly the provisions 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, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits. Therefore, the provisions of the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- (vi) Having regard to the nature of the Company's business / activities, the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act. Accordingly reporting under clause (vi) of paragraph 3 of the Order is not applicable.
- (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, Service Tax, Customs 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, Service Tax, duty of Custom, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2016, for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax and Cess which have not been deposited as on March 31, 2016 on account of disputes are given below:

(₹ in million)					
<b>Name of Statute</b>	<b>Nature of Dues</b>	<b>Forum where Dispute is pending</b>	<b>Period to which the amount relates</b>	<b>Amount Unpaid</b>	<b>Amount paid Under protest</b>
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	High Court	Financial Years 2002-03 to 2007-08	5,967.31#	-
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	Income-tax Appellate Tribunal	Financial Year 2005-06	1.57	-
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 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	Income-tax Appellate Tribunal	Financial Year 2008-09	0.93	-
The Income-tax Act,1961	Income-tax	Income-tax Appellate Tribunal	Financial Year 2010-11	553.34	-
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	Commissioner of Income-tax (Appeals)	Financial Year 2009-10	694.62	-
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	58.88	-
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)	Financial Year 2011-12	19.41	-
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)	Financial Years 2005-06 and 2010-11	42.38	-
The Income-tax Act,1961	Income-tax	Commissioner of Income-tax (Appeals)*	Financial Year 2011-12	898.38	-
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	Assessing Officer	Financial Year 2008-09	56.09	-

(₹ in million)					
<b>Name of Statute</b>	<b>Nature of Dues</b>	<b>Forum where Dispute is pending</b>	<b>Period to which the amount relates</b>	<b>Amount Unpaid</b>	<b>Amount paid Under protest</b>
The Income-tax Act, 1961	Income-tax	Assessing Officer	Financial Year 2009-10	25.58	-
Finance Act, 1994	Service Tax	Commissioner of Central Excise	Financial Years 2003-04 to 2006-07	12.86	-
Finance Act, 1994	Service Tax	Commissioner of Central Excise	Financial Years 2008-09 to 2013-14	11,857.56	-
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2004-05 to 2007-08	86.60	6.60
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2004-05 to 2008-09	118.77	10.00
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2005-06 to 2007-08	46.43	41.51
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2008-09 to 2010-11	169.50	3.00
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Years 2007-08 to 2010-11	96.07	96.00
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	3,031.53	-
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Year 2008-09 to 2011-12	33.46	1.26
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Year 2006-07 to 2010-11	360.55	-
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal	Financial Year 2009-10 to 2012-13	209.98	5.21
Finance Act, 1994	Service Tax	Principal Commissioner of Service Tax	Financial Year 2013-14	6.54	-
Finance Act, 1994	Service Tax	Customs Excise & Service Tax Appellate Tribunal*	Financial Year 2007-08 to 2013-14	77.30	-
Finance Act, 1994	Service Tax	Joint Commissioner, Service Tax	Financial Year 2011-12 to 2012-13	7.62	2.69
Andhra Pradesh VAT Act, 2005	Value Added Tax	Sales Tax Appellate Tribunal	Financial Year 2007-08	6.78	4.58

(₹ in million)					
<b>Name of Statute</b>	<b>Nature of Dues</b>	<b>Forum where Dispute is pending</b>	<b>Period to which the amount relates</b>	<b>Amount Unpaid</b>	<b>Amount paid Under protest</b>
Andhra Pradesh VAT Act, 2005/ Central Sales Tax Act, 1956	Value Added Tax/ Sales Tax	High Court	Financial Years 2007-08 to 2010-11	155.65	90.09
Delhi Value Added Tax Act, 2004	Value Added Tax	The Addl. Commissioner VAT	Financial Years 2012-13	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	-
Maharashtra Value Added Tax Act, 2002	Value Added Tax	Joint Commissioner of Sales Tax (Appeal)	Financial Year 2008-09	4.19	0.40
Central Sales Tax Act, 1956	Central Sales Tax (Gujarat)	Deputy Commissioner of Commercial Tax (Appeal)	Financial Years 2006-07 to 2008-09	5.60	6.80
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	6.20
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	1.19
Central Sales Tax Act, 1956	Central Sales Tax (Tamil Nadu)	High Court	Financial Years 2014-15	1,962.01	-
Delhi Value Added Tax Act, 2004	Value Added Tax	Commissioner, VAT*	Financial Years 2013-14	1.68	-
Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax	Sales Tax Appellate Tribunal	Financial Years 2007-08 and 2009-10	0.54	0.54
Revenue & Taxation Code, USA	Pennsylvania state Income-tax	Commonwealth of Pennsylvania Department of Revenue	Calendar Years 1988 – 2005	4.93	-
Decree of the President of the Republic of Italy	Tax on purchase of shares	Regional Court of Emilia Romagna, Italy	Financial Year 2008-09	7.96	-
Chad Tax Administration	Withholding Tax/ VAT/ Corporation Tax	Deputy General Manager of Tax Authorities	Calendar year 2012	6.21	-
Law on Tax Procedure	Withholding Tax/VAT/ Corporation Tax	General Tax Director	Calendar year 2011 to 2012	23.13	-

\* The Company is in process of filing the appeal

# 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.

(viii) The Company has not taken any loans or borrowings from banks and government or has not issued any debentures. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the term loans have been applied by the Company during the year for the purposes for which they were raised.

(x) 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 by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of paragraph 3 of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiaries or associate companies or persons connected with them and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

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

Place: Mumbai, India  
Date: May 24, 2016

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

## BALANCE SHEET AS AT MARCH 31, 2016

	Note	₹ in Million	
		March 31, 2016	March 31, 2015
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	3	4,839	4,804
(b) Reserves and Surplus	4	<u>130,683</u>	<u>107,754</u>
<b>2 Share Application Money Pending Allotment</b>	32	<u>135,522</u>	<u>112,558</u>
<b>3 Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	1,709	-
(b) Long-Term Provisions	6	<u>3,466</u>	<u>3,293</u>
<b>4 Current Liabilities</b>			
(a) Trade Payables (Includes dues to micro and small enterprises ₹ Nil (March 31, 2015 ₹ Nil))	7	21,837	18,331
(b) Other Current Liabilities	8	10,153	8,903
(c) Short-Term Provisions	9	<u>21,494</u>	<u>14,773</u>
			<u>42,007</u>
<b>5 Suspense Account (Net)</b>	25	<u>12,304</u>	<u>12,304</u>
		<u>206,499</u>	<u>170,165</u>
<b>II ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Fixed Assets	10		
(i) Tangible Assets		22,569	19,489
(ii) Intangible Assets		228	321
(iii) Capital Work-in-Progress		<u>6,275</u>	<u>5,511</u>
			<u>25,321</u>
(b) Non-Current Investments	11		
(c) Deferred Tax Asset	45	37,963	36,309
(d) Long-Term Loans and Advances	12	3,857	2,880
(e) Other Non-Current Assets	13	12,606	10,765
		265	1
		<u>83,763</u>	<u>75,276</u>
<b>2 Current Assets</b>			
(a) Current Investments	14	10,490	4,568
(b) Trade Receivables	15	51,544	42,408
(c) Cash and Bank Balances	16	32,848	18,195
(d) Short-Term Loans and Advances	17	15,563	17,452
(e) Other Current Assets	18	<u>12,291</u>	<u>12,266</u>
			<u>94,889</u>
		<u>122,736</u>	<u>170,165</u>
See accompanying notes forming part of the financial statements	1 to 57		

In terms of our report attached

For Tech Mahindra Limited

For Deloitte Haskins &amp; Sells LLP

Chartered Accountants

A. B. Jani Partner	Anand G. Mahindra Chairman	Vineet Nayyar Vice Chairman	C. P. Gurnani Managing Director & CEO
	Anupam Puri Director	M. Damodaran Director	M. Rajyalakshmi Rao Director
	V S Parthasarathy Director	Ravindra Kulkarni Director	T. N. Manoharan Director
	Ulhas N. Yargop Director		
	Milind Kulkarni Chief Financial Officer	G. Jayaraman Company Secretary	

Mumbai, India, May 24, 2016 Mumbai, India, May 24, 2016

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

		₹ in Million except Earnings per share	
	Note	Year ended March 31, 2016	Year ended March 31, 2015
<b>I</b> Revenue from Operations		<b>209,698</b>	191,627
<b>II</b> Other Income (net)	19	<b>11,084</b>	1,245
<b>III Total Revenue (I + II)</b>		<b>220,782</b>	192,872
<b>IV Expenses:</b>			
Employee Benefits Expense	20	<b>74,101</b>	72,012
Subcontracting Expenses		<b>78,028</b>	64,182
Finance Costs	21	<b>533</b>	479
Depreciation and Amortisation Expense	22	<b>5,455</b>	4,733
Other Expenses	23	<b>23,432</b>	22,774
<b>Total Expenses</b>		<b>181,549</b>	164,180
<b>V Profit before Exceptional Item and Tax (III - IV)</b>		<b>39,233</b>	28,692
<b>VI Exceptional Item - Income</b>	37	-	613
<b>VII Profit before Tax (V + VI)</b>		<b>39,233</b>	29,305
<b>VIII Tax Expense:</b>			
(a) Current Tax	47	<b>7,941</b>	6,487
(b) Deferred Tax	45	<b>(908)</b>	256
<b>IX Profit after Tax (VII - VIII)</b>		<b>32,200</b>	22,562
<b>Earnings Per Equity Share (Face Value ₹ 5) (Before Exceptional item) in ₹</b>	53		
(a) Basic		<b>33.40</b>	22.94
(b) Diluted		<b>32.71</b>	22.33
<b>Earnings Per Equity Share (Face Value ₹ 5) (After Exceptional item) in ₹</b>	53		
(a) Basic		<b>33.40</b>	23.58
(b) Diluted		<b>32.71</b>	22.96
See accompanying notes forming part of the financial statements	1 to 57		

In terms of our report attached

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

A. B. Jani  
Partner

Anand G. Mahindra  
Chairman

Anupam Puri  
Director

V S Parthasarathy  
Director

Ulhas N. Yargop  
Director

Milind Kulkarni  
Chief Financial Officer

**For Tech Mahindra Limited**

Vineet Nayyar  
Vice Chairman

M. Damodaran  
Director

Ravindra Kulkarni  
Director

G. Jayaraman  
Company Secretary

C. P. Gurnani  
Managing Director & CEO

M. Rajyalakshmi Rao  
Director

T. N. Manoharan  
Director

**CASH FLOW FOR THE YEAR ENDED MARCH 31, 2016**

<b>Particulars</b>	<b>Year ended March 31, 2016</b>	<b>₹ in Million</b>
		Year ended March 31, 2015
<b>A Cash Flow from Operating Activities</b>		
Net Profit Before Tax but after Exceptional item	<b>39,233</b>	29,305
Less: Exceptional Item (refer note 37)	<b>-</b>	613
Profit before Tax	<b>39,233</b>	28,692
Adjustments for :		
Depreciation and Amortisation Expense	<b>5,455</b>	4,733
Provision for Doubtful Receivables, Unbilled Revenue and other Advances, Bad debts, Deposits and Loans and Advances written off (net)	<b>1,152</b>	679
Customer Claims and Warranties (net)	<b>284</b>	118
(Profit) / Loss on Sale of Fixed Assets (net)	<b>(101)</b>	23
Finance Costs	<b>533</b>	479
Unrealized Exchange (Gain) / Loss (net)	<b>(373)</b>	(544)
Employee Stock Compensation Cost (net)	<b>1,608</b>	2,268
Reversal of Provision for non-current investments no longer required (refer note 36 and 34 B)	<b>(880)</b>	(12)
Sundry Balances Written back	<b>(319)</b>	-
Interest Income	<b>(575)</b>	(1,513)
Rent Income	<b>(4)</b>	-
Dividend Income on Current Investments	<b>(757)</b>	(168)
Dividend Income from Related Parties (refer note 50)	<b>(5,587)</b>	(153)
	<b>436</b>	<b>5,910</b>
Operating Profit before working capital changes	<b>39,669</b>	34,602
Trade Receivables and Other Assets	<b>(5,252)</b>	(8,870)
Trade Payables, Other Liabilities and Provisions	<b>4,207</b>	2,113
	<b>(1,045)</b>	<b>(6,757)</b>
Cash Generated from Operations	<b>38,624</b>	27,845
Income Tax Refund / (Paid) (net)	<b>(9,796)</b>	(6,767)
<b>Net Cash Flow from / (used in) Operating Activities (A)</b>	<b>28,828</b>	21,078
<b>B Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	<b>(6,884)</b>	(9,033)
Proceeds from Sale of Fixed Assets	<b>402</b>	31
Purchase of Current Investments	<b>(94,342)</b>	(60,404)
Sale of Current Investments	<b>89,177</b>	56,641
Purchase of Treasury Bonds and Bills	<b>(6)</b>	-
Proceeds on Maturity of Treasury Bonds and Bills	<b>7</b>	-
Dividend Income from Related Parties (refer note 50)	<b>5,587</b>	153
Investment in Associate and Subsidiaries (refer note 33)	<b>(125)</b>	(1,528)
Additional Investment in Subsidiaries (refer note 33)	<b>(693)</b>	(11,686)
Repatriation on Liquidation of Subsidiary (refer note 34 B)	<b>-</b>	328
Additions in Investment Property	<b>(73)</b>	(265)
Fixed Deposit / Margin Money Realised	<b>94,988</b>	28,083
Fixed Deposit / Margin Money Placed	<b>(99,490)</b>	(21,393)
Interest Received	<b>563</b>	2,056
<b>Net Cash Flow from / (used in) Investing Activities (B)</b>	<b>(10,889)</b>	(17,017)
<b>C Cash Flow from Financing Activities</b>		
Proceeds from Issue of Equity Shares (Including Share Application Money)	<b>362</b>	582
Loans to Related Parties	<b>(1,888)</b>	-
Interest on Loans to Related Parties	<b>1</b>	2
Repayment of Loans by Related Parties	<b>40</b>	1,020
Dividend (Including Tax on Dividend) paid	<b>(5,808)</b>	(5,496)

**CASH FLOW FOR THE YEAR ENDED MARCH 31, 2016**

<b>Particulars</b>	<b>₹ in Million</b>	
	<b>Year ended March 31, 2016</b>	<b>Year ended March 31, 2015</b>
Repayment of Long-Term Borrowings	(124)	(3,040)
Proceeds from Short-Term Borrowings	569	1,615
Repayment of Short-Term Borrowings	(569)	(1,615)
Finance Costs	(501)	(771)
<b>Net Cash Flow from / (used in) Financing Activities (C)</b>	<b>(7,918)</b>	<b>(7,703)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>10,021</b>	<b>(3,642)</b>
<b>Cash and Cash Equivalents at the beginning of the Increase in Cash and Cash Equivalents on Amalgamation (refer note 27 and 28)</b>	<b>7,003</b>	<b>9,996</b>
<b>Cash and Cash Equivalents (refer note II) at the end of the</b>	<b>55</b>	<b>649</b>
	<b>17,079</b>	<b>7,003</b>
<b>Notes :</b>		
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 <b>Particulars</b>		
Cash and Cash Equivalents *	<b>17,117</b>	<b>7,011</b>
Unrealized Loss/(Gain) on Foreign Currency Balances	(38)	(8)
<b>Total</b>	<b>17,079</b>	<b>7,003</b>
<b>* Cash and Cash Equivalents Comprises of</b>		
(a) Funds in Transit	<b>1,493</b>	<b>294</b>
<b>Balances with Banks :</b>		
(a) In Current Accounts	<b>7,522</b>	<b>5,117</b>
(b) In Deposit Accounts	<b>8,102</b>	<b>1,600</b>
	<b>17,117</b>	<b>7,011</b>
<b>Reconciliation of Cash and Cash Equivalents with the Balance Sheet</b>		
Cash and Bank Balances (refer note 16)	<b>32,848</b>	<b>18,195</b>
<b>Less:</b>		
In Deposit Accounts	<b>15,522</b>	<b>6,078</b>
Unclaimed Dividend	43	38
Balances held as Margin Money/Security towards obtaining Bank Guarantees	<b>140</b>	<b>5,054</b>
Balance held under Escrow Account	<b>26</b>	<b>14</b>
<b>Total Cash and Cash Equivalents</b>	<b>17,117</b>	<b>7,011</b>
III Cash and Cash Equivalents include Equity Share Application Money of ₹ 14 Million (March 31, 2015 ₹ 3 Million).		
IV See accompanying notes forming part of the financial statements		

In terms of our report attached

**For Tech Mahindra Limited**

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

A. B. Jani Partner	Anand G. Mahindra Chairman	Vineet Nayyar Vice Chairman	C. P. Gurnani Managing Director & CEO
	Anupam Puri Director	M. Damodaran Director	M. Rajyalakshmi Rao Director
	V S Parthasarathy Director	Ravindra Kulkarni Director	T. N. Manoharan Director
	Ulhas N. Yargop Director		
	Milind Kulkarni Chief Financial Officer	G. Jayaraman Company Secretary	

Mumbai, India, May 24, 2016 Mumbai, India, May 24, 2016

## Notes forming part of the Financial Statements for the year ended March 31, 2016

### 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. 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 3 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.

### iii. Sale and Lease back transaction :

In case of a sale and leaseback transaction resulting in a finance lease, any excess or deficiency of sales proceeds over the carrying amount is deferred and amortised over the lease term in proportion to the depreciation of the leased asset.

Profit or Loss on Sale and Lease back arrangements resulting in finance leases are recognised, in case the transaction is established at fair value, else the excess over the fair value is deferred and amortised over the period for which the asset is expected to be used.

## **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 38 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**

**Share Capital**

- **Authorized**

Equity Shares of ₹ 5 each

- **Issued, Subscribed and Paid - up**

Equity Shares of ₹ 5 each, fully paid - up

	<b>As at March 31, 2016</b>		<b>As at March 31, 2015</b>	
	<b>Number</b>	<b>₹ in Million</b>	<b>Number</b>	<b>₹ in Million</b>
- <b>Authorized</b>				
Equity Shares of ₹ 5 each	<b>1,586,200,000</b>	<b>7,931</b>	1,268,200,000	6,341
- <b>Issued, Subscribed and Paid - up</b>				
Equity Shares of ₹ 5 each, fully paid - up	<b>967,810,069</b>	<b>4,839</b>	960,788,912	4,804
	<b>967,810,069</b>	<b>4,839</b>	<b>960,788,912</b>	<b>4,804</b>

**Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period:**

**Particulars**

	<b>As at March 31, 2016</b>		<b>As at March 31, 2015</b>	
	<b>Number</b>	<b>₹ in Million</b>	<b>Number</b>	<b>₹ in Million</b>
Shares outstanding at the beginning of the year	<b>960,788,912</b>	<b>4,804</b>	233,472,886	2,335
Shares issued during the year	<b>7,021,157</b>	<b>35</b>	2,572,284	24
Share issued on account of amalgamation	-	-	4,259,011	43
Issue of bonus shares	-	-	240,161,577	2,402
Conversion on account of share split	-	-	480,323,154	-
Shares outstanding at the end of the year	<b>967,810,069</b>	<b>4,839</b>	960,788,912	4,804

**Number of shares held by each shareholder holding more than 5 percent of the Equity Shares of the Company are as follows:**

**Name of Shareholder**

	<b>As at March 31, 2016</b>		<b>As at March 31, 2015</b>	
	<b>No. of Shares held</b>	<b>% of Holding</b>	<b>No. of Shares held</b>	<b>% of Holding</b>
Mahindra & Mahindra Limited	<b>256,248,704</b>	<b>26</b>	256,248,704	27
TML Benefit Trust	<b>96,000,000</b>	<b>10</b>	96,000,000	10
Euro Pacific Growth Fund	<b>61,831,716</b>	<b>6</b>	-	-

- Aggregate number of fully paid-up Equity Shares allotted by way of Bonus Shares in the immediately preceding five years : 240,161,577 Equity Shares of ₹ 10 each fully paid-up equivalent to 480,323,154 Equity Shares of ₹ 5 each fully paid-up during the year ended March 31, 2015.
- Each Equity Share entitles the holder to one vote and carries an equal right to dividend.
- The Company declares and pays dividends in Indian Rupees. The Board of Directors in their meeting held on May 24, 2016 proposed a final dividend of ₹ 12 per Equity Share for year ended March 31, 2016. The proposal is subject to the approval of the shareholders at the ensuing Annual General Meeting.
- Refer note 52 for details relating to stock options.

	₹ in Million	
	As at	
	March 31, 2016	March 31, 2015
<b>Note 4: Reserves and Surplus</b>		
- <b>Capital Reserve</b>		
Opening Balance	60	-
Add : Additions on account of Amalgamation (refer note 27)	-	60
Closing Balance	<u>60</u>	<u>60</u>
- <b>Securities Premium Account</b>		
Opening Balance	29,156	27,768
Add: Additions on account of Amalgamation (refer note 27 and 28)	791	36
Add: Transfer (net) due to amalgamation (refer note 27)	-	483
Less: Share issue expenses	-	45
Add : Received during the year on exercise of Stock Options	316	570
Add: Transfer from Share Options Outstanding Account on exercise of Stock Options	1,046	344
Closing Balance	<u>31,309</u>	<u>29,156</u>
- <b>Debenture Redemption Reserve</b>		
Opening Balance	-	2,972
Add: Transfer from Surplus in Statement of Profit and Loss	-	28
Less: Transferred to Surplus in Statement of Profit and Loss	-	3,000
Closing Balance	<u>-</u>	<u>-</u>
- <b>Share Options Outstanding Account (refer note 2.15 and 52)</b>		
Opening Balance	4,117	2,191
Add: Additions on account of Amalgamation (refer note 27)	-	250
Less: Transfer (net) due to amalgamation (refer note 27)	-	248
Add: Amortized Amount of Stock Compensation Cost (net)	1,608	2,268
Less: Transfer to Securities Premium Account on exercise of Stock Options	1,046	344
Closing Balance	<u>4,679</u>	<u>4,117</u>
- <b>General Reserve</b>		
Opening Balance	10,142	12,353
Add: Additions on account of Amalgamation (refer note 27)	-	147
Add: Adjustment on account of Amalgamation (refer note 28)	(2,410)	-
Add: Transfer (net) due to amalgamation (refer note 27)	-	44
Less: Utilised for issue of Bonus Shares (refer note 3)	-	2,402
Less: Transfer to Surplus in Statement of Profit and Loss	7,732	-
Closing Balance	<u>-</u>	<u>10,142</u>
- <b>Hedging Reserve (refer note 46)</b>		
Opening Balance	720	(5,589)
Add: Movement during the year (net)	1,262	6,309
Closing Balance	<u>1,982</u>	<u>720</u>
- <b>Surplus in Statement of Profit and Loss</b>		
Opening balance	63,559	43,856
Add: Additions on account of Amalgamation (net) (refer note 27 and 28)	(725)	922
Add: Transfer (net) due to Amalgamation (refer note 27)	-	218
Add: Net Profit for the year	<u>32,200</u>	<u>22,562</u>

	₹ in Million	
	As at	
	March 31, 2016	March 31, 2015
<b>Note 4: Reserves and Surplus (contd)</b>		
Less: Transfer to Debenture Redemption Reserve	-	28
Add: Transfer from Debenture Redemption Reserve	-	3,000
Less: Proposed Final Dividend (refer note 3)	<b>11,614</b>	5,765
Less: Tax on Proposed Dividend (refer note 3)	<b>2,364</b>	1,173
Add : Reversal of Provision for Tax on Dividend (refer note 56)	<b>1,137</b>	-
Add : Reversal of Provision towards non-current investment (refer note 28)	<b>2,735</b>	-
Add: Transfer from General Reserve	<b>7,732</b>	-
Less: Dividend and tax on dividend on Equity Shares issued after April 1st till the record date	<b>7</b>	33
Closing Balance	<b>92,653</b>	63,559
	<b>130,683</b>	107,754
<b>Note 5: Long-Term Borrowings</b>		
- <b>Finance Lease Obligations (refer note 43)</b>	<b>1,709</b>	-
Lease obligations are secured by the assets financed through the finance lease arrangements and are repayable in the equal monthly / quarterly installments over a period of 3-5 years and carry a finance charge.		
	<b>1,709</b>	-
<b>Note 6: Long-Term Provisions</b>		
- Provision for Employee Benefits		
- Gratuity (refer note 38)	1,926	1,839
- Others	<b>1,540</b>	1,454
	<b>3,466</b>	3,293
<b>Note 7: Trade Payables</b>		
- Trade Payables other than Accrued Salaries and Benefits (refer note 50 and 55)	<b>18,796</b>	15,658
- Accrued Salaries and Benefits	<b>3,041</b>	2,673
	<b>21,837</b>	18,331
<b>Note 8: Other Current Liabilities</b>		
- Current Maturities of Finance Lease Obligations (refer note 43)	576	52
Lease obligations are secured by the assets financed through the finance lease arrangements and are repayable in the equal monthly / quarterly installments over a period of 1-5 years and carry a finance charge.		
- Interest Accrued but not due on Secured Borrowings	32	-
- Capital Creditors	<b>539</b>	709
- Advance from Customers	<b>542</b>	381
- Unearned Revenue	<b>819</b>	594
- Unclaimed Dividends	<b>43</b>	38

	₹ in Million		
	As at	March 31, 2016	March 31, 2015
<b>Note 8: Other Current Liabilities (contd)</b>			
- Statutory Remittances		1,931	1,770
- Others#		5,671	5,360
# Others mainly Include:			
- Aberdeen UK Claims settlement consideration (including interest) payable ₹ 3,628 Million (previous year ₹ 3,628 Million) (refer note 26)			
- Aberdeen US claim settlement consideration payable ₹ 648 Million (previous year ₹ 648 Million) (refer note 26)			
- Class action suit settlement consideration payable ₹ 265 Million (previous year ₹ 265 Million)			
- Discounts payable to Customers ₹ 894 Million (previous year ₹ 586 Million)			
		<b>10,153</b>	<b>8,903</b>
<b>Note 9: Short-Term Provisions</b>			
- Provision for Employee Benefits			
- Gratuity (refer note 38)	370	366	
- Others	1,157	993	
- Provision for Proposed Final Dividend (refer note 3)	11,614	5,765	
- Provision for Tax on Dividend (refer note 3)	2,364	1,173	
- Provision for Income Tax (net of Taxes paid) (refer note 47 and 24.5.1 (iii))	5,403	5,602	
- Provision for Claims and Warranties (refer note 48)	194	163	
- Provision for Contingencies (refer note 49)	392	711	
	<b>21,494</b>	<b>14,773</b>	

**Note 10: Fixed Assets**

	Gross Block						Accumulated Depreciation/Amortisation					Net Block As at March 31, 2016
	Cost as at April 01, 2015	Additions on Amalgamation (refer note 27 and 28)	Additions during the year	Deletions during the year	Reclassification (refer note 43 (vii))	Balance as at March 31, 2016	As at April 01, 2015	Additions on Amalgamation (refer note 27 and 28)	For the year	Deductions during the year	Reclassification (refer note 43 (vii))	Upto March 31, 2016
<b>a Tangible Assets</b>												
Freehold Land	<b>738</b>	-	-	-	<b>8</b>	<b>730</b>	-	-	-	-	-	<b>730</b>
Leasehold Land	<b>745</b>	-	7	-	14	738	-	-	-	-	-	738
Buildings	<b>1,833</b>	-	<b>5</b>	<b>3</b>	-	<b>1,835</b>	<b>266</b>	-	<b>37</b>	<b>0</b>	-	<b>1,532</b>
Buildings	<b>1,194</b>	-	<b>639</b>	-	-	<b>1,833</b>	<b>235</b>	-	<b>31</b>	-	-	<b>1,567</b>
Buildings	<b>14,222</b>	-	<b>1,693</b>	<b>4</b>	-	<b>15,911</b>	<b>3,754</b>	-	<b>563</b>	<b>4</b>	-	<b>4,313</b>
Buildings	<b>13,507</b>	-	<b>1,006</b>	<b>68</b>	223	<b>14,222</b>	<b>3,280</b>	-	<b>507</b>	<b>21</b>	12	<b>3,754</b>
Computers	<b>10,193</b>	<b>356</b>	<b>810</b>	<b>654</b>	-	<b>10,705</b>	<b>7,297</b>	<b>278</b>	<b>1,625</b>	<b>417</b>	-	<b>8,783</b>
Computers	<b>7,941</b>	<b>68</b>	<b>2,499</b>	<b>315</b>	-	<b>10,193</b>	<b>6,210</b>	<b>60</b>	<b>1,338</b>	<b>311</b>	-	<b>7,297</b>
Plant and Equipments	<b>10,922</b>	<b>440</b>	<b>1,840</b>	<b>308</b>	-	<b>12,894</b>	<b>8,601</b>	<b>411</b>	<b>1,198</b>	<b>296</b>	-	<b>9,914</b>
Plant and Equipments	<b>10,178</b>	<b>18</b>	<b>896</b>	<b>20</b>	150	<b>10,922</b>	<b>7,587</b>	<b>12</b>	<b>1,063</b>	<b>20</b>	41	<b>8,601</b>
Furniture and Fixtures	<b>4,903</b>	<b>39</b>	<b>761</b>	<b>45</b>	-	<b>5,658</b>	<b>3,916</b>	<b>32</b>	<b>489</b>	<b>27</b>	-	<b>4,410</b>
Furniture and Fixtures	<b>4,644</b>	<b>12</b>	<b>299</b>	<b>7</b>	45	<b>4,903</b>	<b>3,477</b>	<b>10</b>	<b>452</b>	<b>6</b>	11	<b>3,916</b>
Vehicles	<b>253</b>	<b>2</b>	<b>16</b>	<b>38</b>	-	<b>233</b>	<b>210</b>	<b>2</b>	<b>14</b>	<b>35</b>	-	<b>191</b>
Office Equipments	<b>1,180</b>	<b>30</b>	<b>172</b>	<b>82</b>	-	<b>1,300</b>	<b>861</b>	<b>23</b>	<b>126</b>	<b>65</b>	-	<b>945</b>
Office Equipments	<b>986</b>	<b>5</b>	<b>192</b>	<b>3</b>	0	<b>1,180</b>	<b>750</b>	<b>4</b>	<b>110</b>	<b>3</b>	0	<b>861</b>
Leasehold Improvements	<b>1,093</b>	<b>3</b>	<b>80</b>	<b>17</b>	-	<b>1,159</b>	<b>978</b>	<b>1</b>	<b>76</b>	<b>15</b>	-	<b>1,040</b>
Leasehold Improvements	<b>1,035</b>	<b>15</b>	<b>47</b>	<b>4</b>	-	<b>1,093</b>	<b>848</b>	<b>13</b>	<b>121</b>	<b>4</b>	-	<b>978</b>
Taken on Finance Lease:												
Computers												
Computers	<b>2,185</b>	-	-	<b>2,185</b>	-	-	<b>185</b>	-	-	-	-	<b>185</b>
Plant and Equipments												
Plant and Equipments	<b>167</b>	-	<b>40</b>	-	-	<b>207</b>	<b>167</b>	-	<b>3</b>	-	-	<b>170</b>
Vehicles												
Vehicles	<b>141</b>	-	-	<b>86</b>	-	<b>55</b>	<b>106</b>	-	<b>22</b>	<b>79</b>	-	<b>49</b>
Total	<b>45,645</b>	<b>870</b>	<b>7,602</b>	<b>1,237</b>	<b>8</b>	<b>52,872</b>	<b>26,156</b>	<b>747</b>	<b>4,338</b>	<b>938</b>	-	<b>30,303</b>
Total	<b>40,768</b>	<b>156</b>	<b>5,606</b>	<b>453</b>	<b>432</b>	<b>45,645</b>	<b>22,825</b>	<b>119</b>	<b>3,672</b>	<b>396</b>	64	<b>22,569</b>
<b>b Intangible Assets</b>												
Intellectual Property Rights	<b>76</b>	-	-	<b>76</b>	-	<b>76</b>	-	-	<b>76</b>	-	-	-
Software (other than internally generated)	<b>2,731</b>	<b>140</b>	<b>910</b>	<b>194</b>	-	<b>3,587</b>	<b>2,410</b>	<b>115</b>	<b>1,026</b>	<b>192</b>	-	<b>3,359</b>
<b>Total</b>	<b>2,807</b>	<b>140</b>	<b>910</b>	<b>270</b>	-	<b>3,587</b>	<b>2,486</b>	<b>115</b>	<b>1,026</b>	<b>268</b>	-	<b>3,359</b>
<b>c Capital Work-in-Progress</b>	<b>1,695</b>	<b>253</b>	<b>906</b>	<b>47</b>	-	<b>2,807</b>	<b>1,302</b>	<b>233</b>	<b>985</b>	<b>34</b>	-	<b>2,486</b>
											6,275	
											5,511	

**Notes:**

- 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 24.5.1 (i)).
- Numbers in Italics pertain to the previous year.

₹ in Million

	As at	
	March 31, 2016	March 31, 2015
<b>Note 11: Non-Current Investments</b>		
<b>(at cost, unless otherwise specified)</b>		
<b>(A) Trade</b>		
<b>(a) In Subsidiaries - unquoted</b>		
170,521,745 Common Stock (previous year 170,521,745) of US \$ 1 each fully paid-up of Tech Mahindra (Americas) Inc.	<b>11,728</b>	11,728
3 Shares (previous year 3) of Euro 25,000, 50,000 and 500,000 each and 26000 shares (previous year 26000) of Euro 1 each, fully paid-up of Tech Mahindra GmbH (refer note i below)	<b>391</b>	391
Less : Provision for Diminution (refer note 36 and 35)	-	354
	<b>391</b>	37
5,000 Equity Shares (previous year 5,000) of SGD 10 each fully paid-up of Tech Mahindra (Singapore) Pte. Limited.	<b>1</b>	1
60,000 Equity Shares (previous year 60,000) of THB 100 each fully paid-up of Tech Mahindra (Thailand) Limited.	<b>8</b>	8
50,000 Equity Shares (previous year 50,000) of ₹ 10 each fully paid-up of Tech Mahindra Foundation.	<b>1</b>	1
500,000 Equity Shares (previous year 500,000) of US \$ 1 each fully paid-up of PT Tech Mahindra Indonesia.	<b>22</b>	22
312,820 Equity Shares (previous year 312,820) of Ringgit 1 each fully paid-up of Tech Mahindra (Malaysia) Sdn Bhd.	<b>4</b>	4
Tech Mahindra (Beijing) IT Services Limited (refer note iii below)	<b>22</b>	22
500 Equity Shares (previous year 500) of BD 100 each fully paid-up of Tech Mahindra (Bahrain) Limited S.P.C.	<b>6</b>	6
153,040,026 Equity Shares (previous year 153,040,026) of Naira 1 each fully paid up of Tech Mahindra (Nigeria) Limited.	<b>46</b>	46
1,000,000 Equity Shares (previous year 1,000,000) of ₹ 10 each fully paid up of Tech Mahindra Business Services Limited.	<b>4,873</b>	4,873
14,675,088 Equity Shares (previous year 14,675,088) of ₹ 10 each fully paid up of Comviva Technologies Limited (refer note 24.2 (v))	<b>2,904</b>	2,772
51 Equity Shares (previous year 51) of ZAR 1 each fully paid up of Tech Mahindra South Africa (Pty) Limited.	<b>0</b>	0
10,654,000 Equity Shares (previous year 654,000) of MYR 1 each fully paid up in Tech Mahindra ICT Services (Malaysia) SDN. BHD. (refer note 33)	<b>171</b>	12
18,400,279 Shares of Series A Preferred Stock (previous year 18,400,279) of US \$ 0.0001 each fully paid in FixStream Networks Inc.	<b>604</b>	604
100 Common Stock (previous year 100) of US \$ 1000 each fully paid of Tech Mahindra IPR Inc.	<b>6</b>	6
100,000 Common Stock (previous year 100,000) of US \$ 0.01 each, fully paid-up of Tech Mahindra Technologies Inc.	<b>202</b>	202
Less: Provision for diminution in value of investment (refer note 35)	<b>178</b>	178
	<b>24</b>	24
Nil Equity Shares (previous year 33,104,319) of ₹ 10 each, fully paid-up of Tech Mahindra BPO Limited (refer note 28)	-	2,735
Less: Provision for diminution in value of investment (refer note 35 and 28)	-	2,735
Tech Mahindra (Shanghai) Co. Limited (refer note iii below)	<b>628</b>	628
Less: Provision for diminution in value of investment (refer note 35 and 36)	-	283
	<b>628</b>	345

	₹ in Million	
	As at	
	March 31, 2016	March 31, 2015
<b>Note 11: Non-Current Investments (contd)</b>		
Tech Mahindra (Nanjing) Co. Limited (refer note iii below)	352	352
Less: Provision for diminution in value of investment (refer note 35)	311	311
	<b>41</b>	41
Nil (previous year 10,500) of US \$ 100 each, partly paid-up of Satyam Computer Services (Egypt) S.A.E (refer note 34 B)	-	11
Less: Provision for diminution in value of investment (refer note 35)	-	11
	<b>-</b>	<b>-</b>
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
31,377,098 Quotas (previous year 27,888,084) of Real's 100 each fully paid-up of Tech Mahindra Servicos De Informatica LTDA. (refer note 33)	1,107	727
Nil Equity Shares (previous year 9,000,000) of ₹ 10 each fully paid up of New vC Services Private Limited (refer note 28)	-	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	0	0
1 share (previous year 1) each of Peso 2,999 and Peso 1, fully paid up of Series A (fixed capital) in Tech Mahindra De Mexico, S.DE R.L.DE C.V.	55	31
1 share (previous year 1) of Peso 12,931,770 (previous year Peso 6,899,999) , fully paid up of Series B (variable capital) in Tech Mahindra De Mexico, S.DE R.L.DE C.V. (refer note 33)	918	918
1,065,848 Ordinary fully paid-up shares (previous year 1,065,848) of EUR 1 each and 27,062 Class A fully paid up shares (previous year 27,062) of EUR 1 each of Sofgen Holdings Limited	0	-
865 Ordinary Shares (previous year : Nil) of GBP 0.01 each, fully paid up of Nth Dimension Limited (refer note 33)	6	-
10,000 Shares (previous year : Nil) of USD 10 each, fully paid up of Tech Mahindra DRC Sarlu (refer note 33)	5	5
Nil Shares (previous year 59,000) of EUR 1 each, fully paid up of Mahindra Engineering GmbH (refer note 33)	-	3
Less: Provision for diminution in value of investment (refer note 35)	-	3
	<b>-</b>	<b>-</b>
105,000 Common Stock (previous year 105,000) of USD 10 each, fully paid up of Mahindra Technologies Services Inc.	64	64
510 shares (previous year Nil) of SAR 1,000 each, fully paid up of Tech Mahindra Arabia Limited (refer note 33)	9	-
100,000 shares (previous year Nil) of EUR 1 each, fully paid up of Tech Mahindra France SAS (refer note 33)	7	-
9,750,000 shares (previous year Nil) of INR 10 each, fully paid up of Tech Mahindra Growth Factories Limited (refer note 33)	98	-
46,001 shares (previous year Nil) of EUR 1 each, fully paid up of Tech Mahindra Netherlands B.V. (refer note 33)	3	-
500 shares (previous year Nil) of SEK 100 each, fully paid up of Tech Mahindra Sweden AB (refer note 33)	0	-
<b>- Investment acquired on Amalgamation (refer note 28)</b>		
950,000 shares fully paid up of PHP 10 each of vCustomer Philippines Inc.	62	-
<b>Sub-total (a)</b>	<b>24,981</b>	23,560

	₹ in Million	
	As at	
	March 31, 2016	March 31, 2015
<b>Note 11: Non-Current Investments (contd)</b>		
<b>(b) Investments in Associates</b>		
- <b>Unquoted</b>		
- <b>In Equity Shares:</b>		
720 Shares (previous year Nil) of QAR 100 each fully paid up of IQS Information Solutions WLL (refer note 33)	1	-
<b>Sub-total (b)</b>	<b>1</b>	<b>-</b>
<b>(c) Other Investments</b>		
- <b>Unquoted</b>		
- <b>In Equity Shares:</b>		
4,232,622 Ordinary Shares ( previous year 4,232,622) of GBP 0.002 each fully paid up of Servista Limited	1	1
- <b>In Preference Shares:</b>		
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
	<b>85</b>	<b>85</b>
Less : Provision for Diminution (refer note 35)	<b>85</b>	<b>85</b>
	<b>-</b>	<b>-</b>
- <b>Quoted</b>		
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 36 and 35)	<b>-</b>	<b>243</b>
	<b>350</b>	<b>107</b>
	<b>350</b>	<b>107</b>
<b>Sub-total (c)</b>		
<b>(d) Investment in entities which are liquidated / dissolved / merged</b>		
<b>In subsidiaries - unquoted</b>		
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)	70	70
Less: Provision for diminution in value of investment (refer note 35)	<b>70</b>	<b>70</b>
	<b>-</b>	<b>-</b>
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)	899	899
Less: Provision for diminution in value of investment (refer note 35)	<b>899</b>	<b>899</b>
	<b>-</b>	<b>-</b>
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)	139	139
Less: Provision for diminution in value of investment (refer note 35)	<b>139</b>	<b>139</b>
	<b>-</b>	<b>-</b>
247,008,760 Shares (previous year 247,008,760) of EUR 0.10 each, fully paid up of Satyam Computer Services Belgium, BVBA. (refer note iv below and 34 B)	1,124	1,124
Less: Provision for diminution in value of investment (refer note 35)	<b>1,124</b>	<b>1,124</b>
	<b>-</b>	<b>-</b>
10,500 Nominal Shares (previous year Nil) of US \$ 100 each, partly paid-up of Satyam Computer Services (Egypt) S.A.E (refer note iv below and 34 B)	11	-
Less: Provision for diminution in value of investment (refer note 35)	<b>11</b>	<b>-</b>
	<b>-</b>	<b>-</b>

	₹ in Million	
	As at	
	March 31, 2016	March 31, 2015
<b>Note 11: Non-Current Investments (contd)</b>		
59,000 Shares (previous year 59,000) of EUR 1 each, fully paid up of Mahindra Engineering GmbH (refer note 33)	3	-
Less: Provision for diminution in value of investment (refer note 35)	3	-
<b>Other Investments - unquoted</b>		
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 35)	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 35)	25	25
<b>Sub-total (d)</b>		
<b>Sub total (A) (a+b+c+d)</b>	<b>25,332</b>	<b>23,667</b>
<b>(B) In Bonds and Trust Securities - unquoted</b>		
TML Benefit Trust	0	0
Interest in TML Benefit Trust	12,071	12,071
Treasury Bonds and Bills (refer note ii below)	14	15
Investment in TML Odd lot Trust	0	0
New Democratic Electoral Trust	0	0
National Savings Certificates VIII Series (Lodged as Security with Government Authorities)	0	0
<b>Sub-total (B)</b>	<b>12,085</b>	<b>12,086</b>
<b>(C) Investment Property (refer note 43 (vi))</b>		
Less : Amortisation	777	696
	231	140
<b>Sub-total (C)</b>	<b>546</b>	<b>556</b>
<b>Total (A+B+C)</b>	<b>37,963</b>	<b>36,309</b>

**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 for.
- v) Amounts less than ₹ 5 lakhs are reported as '0'.
- vi) Details of Investments

	As at	
	March 31, 2016	March 31, 2015
Aggregate amount of Quoted Investments	350	350
Aggregate market value of Quoted Investments	392	447
Aggregate amount of Unquoted Investments	39,928	41,880
Aggregate amount of Provision for Diminution in value of Investments	2,861	6,476

₹ in Million

	As at	
	March 31, 2016	March 31, 2015
<b>Note 12: Long - Term Loans and Advances</b>		
<b>(Unsecured, considered good unless otherwise stated)</b>		
- Capital Advances		
Considered Good	489	806
Considered Doubtful	7	7
	<b>496</b>	<b>813</b>
Less: Provision	7	7
	<b>489</b>	<b>806</b>
- Security Deposits		
Considered Good	919	1,053
Considered Doubtful	69	140
	<b>988</b>	<b>1,193</b>
Less: Provision	69	140
	<b>919</b>	<b>1,053</b>
- Advances to Related Parties (refer note 50)		
Considered Good	448	416
Considered Doubtful	417	417
	<b>865</b>	<b>833</b>
Less: Provision	417	417
	<b>448</b>	<b>416</b>
- Loans to Related Parties (refer note 50)	318	419
- Advance Income Taxes (Net of provisions)	7,961	6,055
- Balance with Government Authorities #		
Considered Good	1,028	1,043
Considered Doubtful	12	12
	<b>1,041</b>	<b>1,055</b>
Less: Provision	12	12
	<b>1,028</b>	<b>1,043</b>
- Share Application money given to subsidiaries (refer note 50)		
Considered Good	-	-
Considered Doubtful	66	66
	<b>66</b>	<b>66</b>
Less: Provision	66	66
	<b>-</b>	<b>-</b>
- Prepaid Expenses	609	572
- Fair Values of Foreign Exchange Forward and Currency Option Contracts (net) (refer note 46)	834	401
- Others		
Considered Good	-	-
Considered Doubtful	199	199
	<b>199</b>	<b>199</b>
Less: Provision	199	199
	<b>-</b>	<b>-</b>
	<b>12,606</b>	<b>10,765</b>

# mainly pertains to Service Tax and VAT.

	₹ in Million	
	As at	
	March 31, 2016	March 31, 2015
<b>Note 13: Other Non-Current Assets</b>		
- Trade Receivables # (Unsecured)		
Considered Good	3,474	2,499
Considered Doubtful	3,474	2,499
Less: Provision	3,474	2,499
- Lease Receivable		
Considered Good (refer note 43)	225	-
Considered Doubtful (refer note 44)	231	231
Less : Provision (refer note 44)	456	231
	231	231
	225	-
- Fixed Deposits / Margin Money Deposits having maturities of more than 12 months from the Balance Sheet date	27	-
- Interest Accrued on Bank Deposits	2	-
- Interest Receivable - Others #	11	1
	265	1

# Refer note 50

**Note 14: Current Investments**

- <b>Current portion of Long Term Investment - unquoted</b>		
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
	-	-
- <b>Investment in Mutual Funds - unquoted</b>		
<b>(at cost or fair value whichever is lower)</b>		
3,484,381.26 (previous year : Nil) Units of ₹ 286.99 (previous year : Nil) each of ICICI Prudential Flexible Income Plan - Direct Growth	1,000	-
2,175,731.12 (previous year : Nil) Units of ₹ 224.09 (previous year : Nil) each of ICICI Prudential Liquid Plan - Direct Growth	488	-
10,559,256.09 (previous year : Nil) Units of ₹ 243.08 (previous year : Nil) each of Birla Sun Life Cash Plus - Growth - DIRECT	2,567	-
298,349.65 (previous year : Nil) Units of ₹ 1,009.91 (previous year : Nil) each of SBI MICL FP - Direct Daily Dividend	301	-
380,090.15 (previous year : Nil) Units of ₹ 1,003.25 (previous year : Nil) each of SBI PLF - Direct Plan Daily Dividend	381	-
179,977.31 (previous year : Nil) Units of ₹ 1,675.03 (previous year : Nil) each of SBI Magnum Insta Cash Direct Daily Dividend	301	-
98,273.62 (previous year : Nil) Units of ₹ 1,023.30 (previous year : Nil) each of L&T Cash Fund Direct Plan - Daily Dividend	101	-

	₹ in Million	As at	
	March 31, 2016	March 31, 2015	
47,994.20 (previous year : Nil) Units of ₹ 2,083.59 (previous year : Nil) each of Religare Invesco Liquid Fund - Direct Plan Growth	100	-	
470,111.26 (previous year : Nil) Units of ₹ 2,385.54 (previous year : Nil) each of Tata Money Market Fund Direct Plan - Growth	1,121	-	
1,191,215.91 (previous year : Nil) Units of ₹ 1697.14 (previous year : Nil) each of UTI-Money Market Fund-Institutional Plan- Direct Plan- Growth	2,022	-	
357,194.51 (previous year : Nil) Units of ₹ 2,099.70 (previous year : Nil) each of Reliance Money Manager Fund - Direct Growth Plan Growth Option	750	-	
80,513.52 (previous year : Nil) Units of ₹ 2,484.05 (previous year : Nil) each of Kotak Floater Short Term - Direct Plan - Growth	200	-	
195,846.93 (previous year : 211,456.00) Units of ₹ 3,070.77 (previous year : ₹ 2,837.47) each of Kotak Liquid Scheme Plan A - Direct Plan - Growth	601	600	
150,786.96 (previous year : 219,976.00) Units of ₹ 3,691.60 (previous year : ₹ 3,409.46) each of Reliance Liquid Fund - Treasury Plan - Direct Growth Plan - Growth Option	557	750	
Nil (previous year : 13,087,874) Units of Nil (previous year ₹ 38.20) each of JM High Liquidity Fund - Direct - Growth	-	500	
Nil (previous year : 3,619,297) Units of Nil (previous year : ₹ 193.41) each of ICICI Prudential Money Market Fund - Direct Plan - Growth	-	700	
Nil (previous year : 22,493,824) Units of Nil (previous year : ₹ 22.35) each of Kotak Treasury Advantage Fund - Direct Plan - Growth	-	503	
Nil (previous year : 5,509,660) Units of Nil (previous year : ₹ 29.04) each of Reliance Medium term Fund - Direct Growth Plan - Growth Option	-	160	
Nil (previous year : 124,669) Units of Nil (previous year : ₹ 1,604.25) each of Baroda Pioneer Liquid Fund - Plan B - Growth	-	200	
Nil (previous year : 187,835) Units of Nil (previous year : ₹ 1,597.14) each of Baroda Pioneer Treasury Advantage Fund - Plan B - Growth	-	300	
Nil (previous year : 15,821,282) Units of Nil (previous year : ₹ 22.12) each of IDFC Money Manager Fund - Treasury Plan - Growth - (Direct Plan)	-	350	
Nil (previous year : 394,220) Units of Nil (previous year : ₹ 1,280.61) each of Axis Banking Debt Fund - Direct Growth	-	505	
<b>Sub-total</b>	<b>10,490</b>	4,568	
Provision for Diminution in Value of Current Investments	-	-	
<b>Total</b>	<b>10,490</b>	<b>4,568</b>	
Aggregate Amount of Unquoted Investments	10,599	4,677	
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 is awaiting approval from Reserve Bank of India for adjusting the same against the cost of investment.

		₹ in Million	
		As at	
		March 31, 2016	March 31, 2015
<b>Note 15: Trade Receivables</b>			
- Trade Receivables # (Unsecured)			
Over Six Months			
Considered Good*	2,877	3,132	
Considered Doubtful (refer note 44)	4,199	3,167	
Others			
Considered Good**	48,667	39,276	
Considered Doubtful	13	3	
Less: Provision for Doubtful Receivables (refer note 44)	<u>55,756</u>	<u>45,578</u>	
	<u>4,212</u>	<u>3,170</u>	
	<u><b>51,544</b></u>	<u><b>42,408</b></u>	

# refer note 50

\* Net of remittances received aggregating to ₹ **1,265 Million** (previous year: ₹ 812 Million) pending adjustments against invoices

\*\* Net of remittances received aggregating to ₹ **2,720 Million** (previous year: ₹ 2,436 Million) pending adjustments against invoices

#### Note 16: Cash and Bank Balances

- <b>Cash and Cash Equivalents</b>			
Funds in Transit	1,493	294	
Balances with Banks			
In Current Accounts	7,522	5,117	
In Deposit Accounts	<u>8,102</u>	<u>1,600</u>	
<b>Sub total (a)</b>	<b>17,117</b>	7,011	
- <b>Other Bank Balances</b>			
In Deposit Accounts (refer note below)	15,522	6,078	
Earmarked Balances with Banks			
Unclaimed Dividend	43	38	
Balances held as Margin Money/Security towards obtaining Bank Guarantees	<u>140</u>	<u>5,054</u>	
Balance held under Escrow Account	<u>26</u>	<u>14</u>	
<b>Sub total (b)</b>	<b>15,731</b>	11,184	

#### Note:

Certain fixed deposits of the Company, then aggregating to ₹ 8,220 Million were alleged by ED to be 'proceeds of crime' and were provisionally attached vide Order dated October 18, 2012 by the 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 this interim Order passed by the Single Judge before the Division Bench of the Court. Vide order dated December 31, 2014, the Hon'ble High Court upon hearing the matter, has dismissed the Appeal filed by ED and affirmed the Stay granted by the Single Judge. Consequently, out of the aforesaid fixed deposit which were attached, fixed deposits aggregating ₹ 3,570 Million have been redeemed. Certain banks have not honored the redemption claim of fixed deposits amounting to ₹ 4,650 Million (current principal amount; ₹ 6,415 Million) and the Company is pursuing the matter legally. (refer note 25)

**Total (a) + (b)** **32,848** **18,195**

	₹ in Million	
	As at	
	March 31, 2016	March 31, 2015
<b>Note 17: Short-Term Loans and Advances</b>		
<b>(Unsecured, considered good unless otherwise stated)</b>		
- Advances to Related Parties (refer note 50)	<b>1,217</b>	1,007
- Loans to Related Parties (refer note 50)	<b>1,612</b>	363
- Loans and Advances to Employees		
Considered Good	<b>359</b>	234
Considered Doubtful	<b>82</b>	82
	<b>441</b>	316
Less: Provision	<b>82</b>	82
	<b>359</b>	234
- Balance with Government Authorities	<b>3,357</b>	8,190
- Prepaid Expenses	<b>2,240</b>	1,765
- Fair Values of Foreign Exchange Forward and Currency Option Contracts (net) (refer note 46)	<b>1,210</b>	364
- Others#		
Considered Good	<b>5,568</b>	5,529
Considered Doubtful	<b>211</b>	193
	<b>5,779</b>	5,722
Less : Provision	<b>211</b>	193
	<b>5,568</b>	5,529
# 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 26)		
- 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 26)		
- Includes amount deposited and held in initial escrow account ₹ 265 Million (previous year ₹ 265 Million) towards class action settlement consideration.		
	<b>15,563</b>	17,452
<b>Note 18: Other Current Assets</b>		
<b>(Unsecured, considered good unless otherwise stated)</b>		
- Unbilled Revenue #	<b>11,932</b>	12,000
- Lease Receivable (refer note 43)	<b>95</b>	-
- Interest Accrued on Deposits	<b>88</b>	86
- Contractually Reimbursable Expenses #		
Considered Good	<b>172</b>	180
Considered Doubtful	<b>26</b>	26
	<b>198</b>	206
Less : Provision	<b>26</b>	26
	<b>172</b>	180
Others	<b>4</b>	-
	<b>12,291</b>	12,266

# Refer note 50

	₹ in Million	
	For the Year Ended	
	March 31, 2016	March 31, 2015
<b>Note 19: Other Income (net)</b>		
- Interest on:		
Deposit with Banks	539	1,418
Others	36	95
	<u>575</u>	<u>1,513</u>
- Foreign Exchange Gain/(Loss) - (net)	1,339	(2,001)
- Rent Income	95	242
- Dividend Income on Current Investments	757	168
- Dividend Income from subsidiaries (refer note 50)	5,587	153
- Sundry Balances Written Back (refer note 24.5.1 iv)	928	483
- Provision for non-current investments no longer required (refer note 36 and 34 B)	880	12
- Miscellaneous Income	923	675
	<u>11,084</u>	<u>1,245</u>
<b>Note 20: Employee Benefits Expense</b>		
- Salaries and Incentives	67,909	65,344
- Contribution to Provident and Other Funds (refer note 38)	3,566	3,346
- Gratuity (refer note 38)	455	325
- Employee Stock Compensation Cost (net) (refer note 52)	1,608	2,268
- Staff Welfare Expenses	563	729
	<u>74,101</u>	<u>72,012</u>
<b>Note 21: Finance Costs</b>		
- Interest Expense:		
On Debentures and Long Term Loans	-	14
On Short Term Loans and Cash Credit	76	42
Cash Discount	383	393
Others	74	30
	<u>533</u>	<u>479</u>
<b>Note 22 : Depreciation and Amortisation Expense</b>		
- Depreciation / Amortisation on Fixed Assets (refer note 10)	5,364	4,657
- Amortisation on Investment Property (refer note 11)	91	76
	<u>5,455</u>	<u>4,733</u>

₹ in Million

For the Year Ended	March 31, 2016	March 31, 2015
- Power and Fuel	1,293	1,192
- Rent	1,521	1,456
- Rates and Taxes	342	343
- Communication Expenses	1,462	1,380
- Travelling Expenses	4,082	5,158
- Recruitment Expenses	293	367
- Training	139	304
- Hire Charges	931	779
- Professional and Legal Fees (refer note 39)	1,486	1,457
- Repairs and Maintenance :		
Buildings (Including Leased Premises)	135	151
Machinery and Computers	1,742	1,463
Others	341	296
	<u>2,218</u>	<u>1,910</u>
- Insurance	1,386	1,159
- Software, Hardware and Project Specific Expenses	4,647	3,733
- Claims and Warranties (Net) (refer note 48)	284	118
- Advertising, Marketing and Selling Expenses	404	874
- General Office Expenses	1,203	1,189
- (Profit) / Loss on Sale of Fixed Assets (Net)	(101)	23
<u>- Provision for Doubtful Receivables, Unbilled Revenue and Bad Debts written off</u>		
Provided during the year	1,921	1,282
Bad Debts written off	94	690
Less: Provision reversed during the year	883	1,400
	<u>1,132</u>	<u>571</u>
<u>- Provision for Doubtful Advances, Deposits and Advances written off</u>		
Provided during the year	66	142
Advances written off	145	84
Less: Provision reversed during the year	191	118
	<u>20</u>	<u>108</u>
- Donation	3	10
- Corporate Social Responsibility Expenditure (refer note below)	469	532
- Miscellaneous Expenses	218	111
	<u>23,432</u>	<u>22,774</u>

Note : Corporate Social Responsibility Expenditure

- Gross amount required to be spent by the company during the year is ₹ 466 Million (previous year ₹ 309 Million) (calculated as per 2% of the average net profits of the company made during the three immediately preceding financial years)
- Amount spent during the year on:

Particulars	In cash	Yet to be paid in cash	Total
Construction/acquisition of any asset*	-	-	-
On purposes other than Construction/acquisition of any asset*	469 (532)	-	469 (532)

\* Numbers in brackets pertains to previous year.

## Notes on Accounts:

### 24 Commitment and Contingencies

#### 24.1 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, 2016 is ₹ 2,735 Million (March 31, 2015: ₹ 5,821 Million).
- ii. In respect of land, refer note 29(iii).

#### 24.2 Purchase commitments in respect of investments

- i. The Company, pursuant to share purchase agreement dated January 8, 2015, had 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) was paid upfront and balance amount of USD 10 Million being contingent on achieving agreed performance based milestones will be payable based on the performance of Sofgen for calendar year 2015 (USD 6 Million) and 2016 (USD 4 Million). For calendar year 2015 only (USD 1 Million) is payable towards earn out consideration based on achieved performance based milestones.
- ii. 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. had 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 will be payable in calendar year 2016 on achievement of mutually agreed milestones. Post the payment, one nominee of the Company has been appointed on the board of Avion Networks Inc.
- iii. 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) had 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 was paid up front, the balance BRL 8 Million which was payable as on December 31, 2015 was paid during current quarter ended March 31, 2016 and the balance BRL 13 Million is payable by December 31, 2016.
- iv. The Company had received an 'In-principle' approval to set up a 'Payments bank' from Reserve Bank of India (RBI) on September 07, 2015. The proposed Payments bank was intended to be set up as an independent Company licensed under Section 22 of the Banking Regulation Act, 1949 with equal equity contribution from the Company and Mahindra and Mahindra Financial Services Limited (MMFSL). The Board has now decided not to pursue this opportunity.
- v. During the year ended March 31, 2016, the Company has paid ₹ 132 Million with respect to 'Revenue Linked Earnout Consideration' to erstwhile shareholders of Comviva Technologies Limited as per the terms of Share Purchase agreement.
- vi. During the year ended March 31, 2016, the Company entered into a subscription agreement for a Limited Partnership interest with a USA based fund namely Northgate FinTech Innovations Partners, L.P (Northgate). The Company would invest upto USD 40 Million (₹ 2,667 Million) as a strategic investment as a limited partner in Northgate. Northgate is a venture capital fund which invests primarily in securities issued by companies with primary business focus of development of technological solutions for financial institutions. As of date, the Company has not made any investment in this fund.
- vii. On December 14, 2015, the Company jointly with Mahindra & Mahindra entered into an agreement with Pincar S.r.l., to purchase a controlling stake in Pininfarina S.p.A., an iconic Italian brand in

automotive and industrial design. As per the agreement, the Company and Mahindra and Mahindra would purchase 76.06% stake in Pininfarina at a price of Euro 1.1 per share, subject to regulatory approvals. The total cost of acquisition for the Company would be EUR 15.18 Million (₹ 1,094 Million). The said acquisition is expected to be concluded by June 2016. This acquisition would be through a joint venture in which the Company and Mahindra and Mahindra Limited would hold in the ratio of 60:40.

viii. On January 22, 2016, Comviva Technologies B.V. (a wholly owned subsidiary of the Comviva) entered into an agreement to acquire 100% equity control in ATS Advanced Technologies Solutions SA ("ATS – AR") and ATS Advanced Technology Solutions do Brasil Industria Comercio, Importacao e Exportacao Ltda ("ATS – BR") in Argentina and Brazil respectively for a consideration of USD 4.65 Million (₹ 314 Million) subject to agreed terms and conditions. On fulfillment of agreed terms and conditions, 'ATS – AR' & 'ATS – BR' became wholly owned subsidiaries of Comviva Technologies B.V w.e.f February 1, 2016.

As per the agreement, the initial purchase consideration of USD 1.05 Million (₹ 70 Million) has been paid and balance is payable through the Escrow Account in tranches of USD 0.90 Million in each successive years commencing from December 31, 2016 till December 31, 2019.

#### **24.3 Other commitments**

The Company has outstanding commitments with respect to discharge of services to an international sports federation amounting to ₹ 30 Million as at March 31, 2016 (March 31, 2015: ₹ 27 Million).

#### **24.4 Contingent Liabilities**

- i. Bank Guarantees/corporate guarantees outstanding as at March 31, 2016: ₹ 18,314 Million (March 31, 2015: ₹ 9,592 Million).  
(The above includes corporate guarantees of USD 110 Million: ₹ 7,288 Million, (March 31, 2015 USD 40 Million: ₹ 2,500 Million) given to the bankers of two group companies for loan taken by them.)
- ii. During the year ended March 31, 2016 the Company has given letter of support of ₹ Nil (March 31, 2015 USD 51 Million: ₹ 3,187 Million) to banks for loans availed by Lightbridge Communications Corporation (100% subsidiary of the Company).
- iii. The Company has given letter of comfort of USD 25 Million (₹ 1,656 Million) to bank for loans availed by Comviva Technologies B.V. (100% subsidiary of Comviva Technologies Limited). (March 31, 2015: USD Nil (₹ Nil)).
- iv. Outstanding Bill discounting as at March 31, 2016 ₹ 1,301 Million (March 31, 2015: ₹ 2,696 Million).

#### **24.5 Contingent Liabilities in respect of Income Taxes / Service Tax / Value Added Tax and International Tax**

<b>Nature of dues</b>	<b>Pertaining to</b>	<b>Period</b>	<b>Grounds of Dispute</b>	<b>Amount in ₹ Million</b>
Income-tax	TechM	2003-2004 to 2005-2006	Adjustment of Expenditure in foreign currency and telecommunication expenditure in Export Turnover for 10 A / 10 AA deduction.	<b>423</b> [423]
Income-tax	TechM	2006-2007	1. Adjustment of Expenditure in foreign currency and telecommunication in Export Turnover for 10 A / 10 AA deduction. 2. Transfer Pricing adjustment on account of Interest adjustment on borrowings and Imputed interest on upfront discount payment.	<b>2,846</b> [2,846]

<b>Nature of dues</b>	<b>Pertaining to</b>	<b>Period</b>	<b>Grounds of Dispute</b>	<b>Amount in ₹ Million</b>
Income-tax	TechM	2007-2008 to 2011-2012	1. Disallowance U/s 14A r.w.r 8D, 2. Disallowance on depreciation claimed for intangible asset, 3. Transfer pricing adjustment on account of interest on Loan and transaction fee	<b>1,543</b> [1,133]
Income-tax	TechM	2005-2006	Fringe benefit tax on travelling expenses.	<b>16</b> [16]
Income-tax	Erstwhile TMRD	2004-2005 to 2007-2008	1. Adjustment of Expenditure in foreign currency and telecommunication in Export Turnover for 10 A / 10 AA deduction. 2. Set off of business loss of taxable units against the income of exempt units disallowed 3. Software expenses considered as capital expenditure. 4. Disallowance u/s 14A r.w.r 8D and 5. Transfer Pricing adjustment on account of Arm's Length issue	<b>100</b> [100]
Income-tax	Erstwhile iPolicy	2005-2006	Transfer Pricing Adjustment on account of Arm's Length issue	<b>4</b> [4]
Income-tax	Erstwhile CanvasM	2007-2008 to 2009-2010	Transfer Pricing adjustment made in respect of onsite software development and delivery of software solution work.	<b>103</b> [103]
Income-tax	Erstwhile CanvasM	2007-2008	Penalty on Transfer Pricing adjustment.	<b>1</b> [1]
Income-tax	Erstwhile CanvasM	2010-2011	Transfer Pricing adjustment made in respect of onsite software development and delivery of software solution work.	<b>66</b> [37]
Income-tax	Erstwhile MESL	2005-2006	1. Software expenses considered as Capital Expenditure. 2. Disallowance of 10A deduction for STPI unit.	<b>9</b> [9]
Income-tax	Erstwhile MESL	2006-2007	1. Business Development expenses considered as Capital Expenditure. 2. Disallowance u/s 14A r.w.r. 8D. 3. Disallowance of 10A deduction for STPI unit.	<b>80</b> [80]
Income-tax	Erstwhile MESL	2007-2008	1. Disallowance of 10A deduction for STPI unit. 2. Disallowance u/s 14A r.w.r. 8D. 3. Disallowance of Capital expenditure debited to P&L.	<b>46</b> [46]
Income-tax	Erstwhile MESL	2008-2009	1. Foreign Exchange Fluctuation loss considered as contingent in nature. 2. Disallowance u/s 14A r.w.r. 8D 3. Disallowance of Capital expenditure debited to P&L 4. Disallowance of Set off claimed for business loss and Unabsorbed depreciation	<b>134</b> [134]

<b>Nature of dues</b>	<b>Pertaining to</b>	<b>Period</b>	<b>Grounds of Dispute</b>	<b>Amount in ₹ Million</b>
Income-tax	Erstwhile MESL	2009-2010 to 2012-2013	1. Foreign Exchange Fluctuation loss considered as contingent in nature. 2. Disallowance of 10A / 10 AA deductions 3. Disallowance u/s 14A r.w.r. 8D 4. Disallowance of ESOP expenses	<b>114</b> [95]
Income-tax	Erstwhile MSat	2001-2002 to 2007-2008	Petition filed in High Court against CBDT order dated July 11, 2011 on correct quantification of income by excluding fictitious revenue and interest.	<b>3,333</b> [3,333]
Income-tax	Erstwhile MSat	2001-2002	Transfer Pricing adjustment and various variations to the total income	<b>7,948</b> [7,948]
Income-tax	Erstwhile MSat	2006-2007	Transfer Pricing adjustment and various variations to the total income	<b>10,329</b> [10,329]
Income-tax	Erstwhile MSat	2007-2008	Disallowance of Sub-contracting charges	<b>3</b> [-]
Income-tax	Erstwhile BPO	2005-2006 , 2010-2011 and 2012-13	1. Disallowance of travelling and conveyance expenses. 2. Disallowance of prior period expenses 3. Disallowance of expenses due to non-deduction of TDS	<b>56</b> [-]
<b>Total Contingent Liability for Income-tax</b>				<b>27,154</b> [26,637]
Service Tax	TechM	2003-2004 to 2006-2007	Notice for services provided under Management Consultancy services by the Company.	<b>13</b> [13]
Service Tax	TechM	2008-2009 to 2009-2010	Onsite services provided by overseas subsidiaries/ branches are not considered as export of service.	<b>224</b> [224]
Service Tax	TechM	2008-2009 to 2009-2010	Recovery of Interest on service tax refund.	<b>146</b> [146]
Service Tax	TechM	Feb 2009	Short payment of service tax on account of rate change.	<b>12</b> [12]
Service Tax	TechM	May 2008 to July 2013	Onsite services rendered by overseas branches considered as import of service.	<b>12,753</b> [12,753]
Service Tax	TechM	July 2012 to March 2014	1. Onsite services provided by overseas subsidiaries/ branches are not considered as export of service. 2. Disallowance of Cenvat credit for service tax paid under reverse charge mechanism related to overseas branches.	<b>3,032</b> [894]
Service Tax	TechM	2008-2012	1. Tax on exchange fluctuation gain, subscription charges 2. Disallowance of Cenvat credit related to work contract.	<b>35</b> [-]
Service Tax	TechM	2013-2014	Disallowance of Cenvat credit on Insurance services.	<b>7</b> [-]
Service Tax	Erstwhile TMRD	2004-2005 to 2007-2008	Tax on Marketing services provided by overseas subsidiaries.	<b>77</b> [77]
Service Tax	Erstwhile MSat	March 2005 to March 2011	Disallowance of Cenvat credits related to employee insurance, catering services, housekeeping services, health and fitness services, event management services.	<b>389</b> [389]

<b>Nature of dues</b>	<b>Pertaining to</b>	<b>Period</b>	<b>Grounds of Dispute</b>	<b>Amount in ₹ Million</b>
Service Tax	Erstwhile CanvasM	2007- 2011	Onsite services rendered by overseas subsidiaries considered as import of service.	<b>192</b> [180]
Service Tax	Erstwhile MESL	2007-2014	Disallowance of Cenvat credit related to services utilized in Software Technology Park/Special Economic Zone.	<b>77</b> [-]
Service Tax	Erstwhile BPO	2006-2007 to 2010-2011	Tax on technical Services and telecommunication services received from foreign service providers.	<b>361</b>
Service Tax	Erstwhile BPO	2011 to 2013	1. Tax on technical services provided outside India. 2. Tax on Telecommunication services received from foreign service providers.	<b>10</b>
Service Tax	Erstwhile BPO	2009-2012	Services provided to parent (TechM) company considered as deemed export.	<b>215</b>
<b>Total Contingent Liability for Service Tax</b>				<b>17,543</b> [14,688]
Customs	Erstwhile TMRD	2007-2008	Commissioner of Customs raised demand as imported capital goods were misplaced in the bonded company premises during physical verification conducted by Custom authorities.	<b>2</b> [2]
Customs	Erstwhile MESL	2006-2007	Demands from Customs for import of vehicle	<b>2</b> [2]
<b>Total Contingent Liability for Customs</b>				<b>4</b> [4]
Maharashtra - VAT	TechM	2008-2009	Disallowance of input credit due to mismatch with vendor vat return.	<b>5</b> [5]
Entry tax - Maharashtra	TechM	2008 to 2012	Entry Tax on interstate purchase and import of Air conditioner and part thereof and Tiles.	<b>42</b> [42]
Delhi VAT	TechM	2013-2014	Disallowance of input credit due to mismatch with vendor vat return.	<b>2</b> [-]
Tamil Nadu CST	TechM	2014-2015	Export of services considered as interstate sale.	<b>1,962</b> [-]
AP-GST/CST/ Penalty	Erstwhile MSat	2002-2003 to 2010-2011	Software development services considered as sale of goods.*	<b>421</b> [458]
Delhi Vat	Erstwhile MSat	2012-2013 to 2013-2014	Disallowance of input credit due to mismatch with vendor vat return.	<b>5</b> [5]
Gujarat - CST	Erstwhile C&S	2006-2007 to 2008-2009	High Sea Sale of Software licenses considered as local sale.	<b>12</b> [12]
UP-CST	Erstwhile CanvasM	2009-2010	Handset taken for testing purpose and returned back is considered as sale of Handset.	<b>1</b> [1]
UP-CST, Vat and Entry Tax	Erstwhile I policy	2008-2009	Entry tax on interstate purchase of computer.	<b>3</b> [-]
AP Vat - Tax and Penalty	Erstwhile TechM BPO	2007-2008 to 2010-2011	Disallowance of Input credit.	<b>2</b> [-]

<b>Nature of dues</b>	<b>Pertaining to</b>	<b>Period</b>	<b>Grounds of Dispute</b>	<b>Amount in ₹ Million</b>
<b>Total Contingent liability for VAT/CST/Entry Tax</b>				<b>2,455</b> [523]
Chad Tax Administration	TechM	Calendar Year 2012	Dispute on account of withholding taxes/ VAT/ Corporate tax.	<b>6</b> [4]
Pennsylvania State Income Tax	TechM	1988 – 2005	Non-filing of Income Tax returns	<b>5</b> [5]
Italian Tax	Erstwhile MESL	2008-2009	Taxes in connection with the purchase and subsequent sale of shares	<b>8</b> [8]
<b>Total Contingent Liability for International Tax</b>				<b>19</b> [17]

Figures in brackets "[ ]" are for the year ended March 31, 2015.

TechM  
Erstwhile Tech M R & D  
Erstwhile iPolicy  
Erstwhile CanvasM  
Erstwhile MESL  
Erstwhile MSat  
Erstwhile TechM BPO

Tech Mahindra Limited  
Tech Mahindra (R & D Services) Limited  
iPolicy Networks Limited  
CanvasM Technologies Limited  
Mahindra Engineering Services Limited  
Satyam Computer Services Limited  
Tech Mahindra BPO Limited

\* The above excludes show cause notices relating to Tamil Nadu General sales tax Act, 1959 amounting to ₹ 4,555 Million (March 31, 2015 ₹ 4,555 Million) and Andhra Pradesh Value Added Tax Act, 2005 amounting to ₹ Nil (March 31, 2015 ₹ 2,717 Million) (including penalty).

#### **24.5.1 Additional taxation matters**

##### **i. Petition before Hon'ble 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 aggregating to ₹ 6,170 Million 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 the petition and erstwhile Satyam filed a Special Leave Petition before the Hon'ble Supreme Court which directed erstwhile Satyam to file a comprehensive petition/ representation before CBDT and to submit a Bank Guarantee (BG) for ₹ 6,170 Million which was complied by erstwhile Satyam.

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. Aggrieved by CBDT's Order, erstwhile Satyam filed a writ petition before the Hon'ble High Court of Judicature at Hyderabad on August 16, 2011.

The Hon'ble 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, 2016.

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 Hon'ble High Court of Judicature at Hyderabad that has granted a stay on the operation of the provisional attachment Order until disposal of this writ.

## **ii. Appointment of Special Auditor and re-assessment proceedings**

- 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 DRP, Hyderabad, which is pending disposal.
- Consequent to the letter of erstwhile Chairman of the erstwhile Satyam, the Assessing Officer had commissioned special audits for the financial years 2001-02, 2002-03, 2006-07, 2007-08 and 2008-09 on various dates. Erstwhile Satyam had filed petitions before Hon'ble High Court of Judicature of Hyderabad challenging the special audits which are pending disposal.

## **iii. Provision for taxation for years prior to amalgamation with the Company**

The erstwhile Satyam had accounted for provision for taxation for several prior years aggregating ₹ 4,989 Million (net of taxes paid) as at March 31, 2013 (before giving effect to its amalgamation with the Company), for which the assessments are under dispute.

Subsequent to the amalgamation of erstwhile Satyam with the Company, 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 aggregating ₹ 2,266 Million, has been written back during the year ended March 31, 2014. In the opinion of the Management the balance provision for taxation carried in the books is adequate.

- During the year ended March 31, 2016, the Company has received the VAT refund from the Joint Commissioner of Commercial Tax, Bangalore for Karnataka Value Added Tax and Central Sales Tax amounting to ₹ 590 Million for the period pertaining to 2003-04 and 2004-05 and accordingly, the Company has written back the corresponding provision amounting to ₹ 319 Million, provided in an earlier year, as the same is no longer required.
- In November 2014, the Company has received a notice from Income-tax Department for filing of petition in Hon'ble High Court of Judicature at Hyderabad against the ITAT Order for financial year 1998-99. The Income-tax Department has raised a demand of ₹ 13 Million on account of dispute in treatment of foreign taxes payment treated as self-assessment tax thereby levying interest under section 234B and 234C. The Company has filed an objection citing the limitation of time (almost four years from the date of ITAT Order) which is pending hearing.
- In October 2015, 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 2000-01. The Income-tax Department has raised a demand of ₹ 2 Million on account of dispute in treatment of foreign taxes payment treated as self-assessment tax, which is pending hearing.

#### **24.6 Other Claims on the Company not acknowledged as debt**

- i. Alleged Advances: refer note 25.1.
- ii. Claims against erstwhile Satyam not acknowledged as debts: ₹ 1,000 Million and interest (March 31, 2015 ₹ 1,000 Million).
- iii. Claims made on the erstwhile Satyam by vendors, its employees and customers: ₹ 82 Million (March 31, 2015 ₹ 82 Million).
- iv. Dispute in relation to a subsidiary, refer note 30.
- v. Claims made on the Company not acknowledged as debts: ₹ 107 Million (March 31, 2015 ₹ 107 Million).
- vi. Other claims: ₹ 6 Million (March 31, 2015 ₹ 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 (March 31, 2015 ₹ 1 Million) on sanction of credit facilities.
- viii. Claims on erstwhile MESL under Motor vehicle Act, 1988 ₹ 1 Million (March 31, 2015 ₹ 1 Million).
- ix. Claims not acknowledged as debts pending in arbitration ₹ 10 Million (March 31, 2015 ₹ Nil).
- x. Claims made on the Company by vendors towards breach of contract amounting to ₹ 22 Million (SGD 0.4 Million) (March 31, 2015 ₹ Nil) pending in arbitration.

#### **24.7 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, 2016, which, in the opinion of the Management, is adequate to cover any probable losses in respect of the above litigations and claims. Refer note 49.

#### **25 Certain matters relating to erstwhile Satyam Computer Services Limited (erstwhile Satyam):**

In the letter dated January 7, 2009 Mr. B. Ramalinga Raju, the then Chairman of erstwhile Satyam, stated that the Balance Sheet of erstwhile Satyam as at September 30, 2008 carried 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 Serious Fraud Investigation Office (SFIO)/Registrar of Companies (ROC), Directorate of Enforcement (ED), Central Bureau of Investigation (CBI) had initiated investigations on various matters and conducted inspections and issued notices calling for information including from certain subsidiaries which have been responded to.

In 2009, SFIO initiated two proceedings against erstwhile Satyam for Companies Act violations which have since been compounded. On December 24, 2009, SFIO filed its report under Section 235 of the Companies Act before the Company Law Board (CLB) which stated that 'all these offences and violations relating to fraud have already been covered by CBI in its charge-sheet and a prosecution has been launched by CBI under various sections of Indian Penal Code' in none of which erstwhile Satyam was made a party. Consequently, the CLB vide its further Order dated March 1, 2016 struck off the name of the Company from the array of respondent in the Company Petition filed by the Ministry of Company Affairs (MCA). There are no other proceedings initiated by SFIO/CLB against the Company and the Management does not expect any further proceedings or penal action in this regard.

On a FIR filed by one of the investors, the Andhra Pradesh Crime Branch, Crime Investigation Department (AP CB CID), Hyderabad started an investigation into the fraud in 2009, which was subsequently transferred to CBI, Hyderabad. In all, there were 3 separate complaints instituted by the CBI before the XIV Additional Chief Metropolitan Magistrate cum Special Sessions Court, Hyderabad (Special Court). By a common judgment dated April 9, 2015, the Special Court found the accused persons guilty and convicted them. The Company was not named as an accused in the proceedings and in the said judgment. Thus, in the opinion of the Management, the matter is closed so far as the Company is concerned and no further proceedings against the Company are envisaged in this regard.

Further, certain non-compliances/breaches of various laws and regulations by the erstwhile Satyam under the former Management (prior to Government nominated Board) were identified by various agencies 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, which have been responded to/appropriately addressed by the erstwhile Satyam/the Company and the Company does not expect any further proceedings in this regard.

On May 22, 2013, the ED had issued a show-cause notice to the erstwhile Satyam for contravention of provisions of the Foreign Exchange Management Act, 1999 (FEMA) for alleged non-repatriation of American Depository Receipts (ADR) proceeds aggregating USD 39.2 Million. The Company has responded to the ED's show-cause notice on March 28, 2014 and has not received any further communication in this regard.

The ED had also issued a show-cause notice to the erstwhile Satyam on April 28, 2011 for contravention of the provisions of FEMA and the Foreign Exchange Management (Realisation, Repatriation and Surrender of Foreign Exchange) Regulations, 2000, in respect of the non-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 has not received any further communication in this regard.

As per the assessment of the Management, based on the forensic investigation and the information available, 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 no new information has come to the Management's notice which requires adjustments to the financial statements. Further, as per above, the investigations have been completed and no new claims have been received which need any further evaluation/adjustment/disclosure in the books of account.

### **Proceedings in relation to 'Alleged Advances':**

Pursuant to the aforesaid letter dated January 7, 2009, the erstwhile Satyam received letters from 37 companies seeking confirmation by way of acknowledgement of receipt of certain alleged amounts by the erstwhile Satyam (referred to as alleged advances). These letters were followed by legal notices from these companies dated August 4/5, 2009, claiming repayment of the alleged advances aggregating ₹ 12,304 Million stated to be given as temporary advances but without any evidence in support of the nature of these transactions. This is also borne out in the internal forensic investigation. The legal notices also claimed damages/compensation @18% per annum from the date of the advances till the date of repayment. The erstwhile Satyam has not acknowledged any liability to any of the 37 companies and has replied to the legal notices stating that the claims are legally untenable.

The 37 companies have 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, the pauper petition was converted into a suit which is pending disposal. The petitions filed by remaining 36 companies are before the Court, at various stages of rejection of pauperism/trial of pauperism/inquiry to condone the delay in applications. In one petition, the delay in submission of the petition has been condoned by the Court and the Company has obtained an interim stay Order from the Hon'ble High Court of Andhra Pradesh, which has remanded the matter to the lower Court directing to consider the application afresh. Lower Court upon hearing the application has condoned the delay in re-submission of pauper petition. The Company has challenged the said order in Revision before the High Court of Andhra Pradesh, which is pending hearing. In another development, Company has also filed a Revision against the orders of the Lower Court in the application filed by the Company to recall the Order in numbering the pauper petition as Original Petition. Hon'ble High Court has been pleased to stay the proceedings until further orders.

The Hon'ble High Court in its Order approving the merger of the erstwhile Satyam with the Company, further held that in the absence of Board resolutions and documents evidencing acceptance of unsecured loans, i.e. alleged advances, 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 disclosing them as creditors and in disclosing such amounts as 'Amounts pending investigation suspense account (net)' in the financial statements. The Hon'ble High Court held, inter-alia, that the contention of the 37 companies that Satyam is retaining the money, i.e. the alleged advances, 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 said 37 companies have filed appeals before the Division Bench of the Hon'ble High Court of Andhra Pradesh, against the Orders of the Hon'ble High Court of Andhra Pradesh and the Hon'ble High Court of Judicature at Bombay sanctioning the scheme of merger of Satyam Computer Services Limited (Satyam) with the Company w.e.f. April 1, 2011, which are yet to be heard. One of the aforesaid companies has also appealed against the Order rejecting the Petition for winding-up of the erstwhile Satyam. These matters have been combined for hearing.

The Directorate of Enforcement (ED) while investigating the matter under the Prevention of Money Laundering Act, 2002 (PMLA) had directed the erstwhile Satyam not to return the alleged advances until further instructions. In furtherance to the investigation, certain fixed deposits of the Company with certain banks, then aggregating to ₹ 8,220 Million were alleged by ED to be 'proceeds of crime' and were provisionally attached vide Order dated October 18, 2012 by the 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 this interim Order passed by the Single Judge before the Division Bench of the Court. Vide order dated December 31, 2014, the Hon'ble High Court upon hearing the matter, has dismissed the Appeal filed by ED and affirmed the Stay granted by the Single Judge. Consequently, out of the aforesaid fixed deposit which were attached, fixed deposits aggregating ₹ 3,570 Million have been redeemed. Certain banks have not honored the redemption claim and the Company is pursuing the matter legally.

A criminal case was filed by the ED before the Hon'ble XXI Additional Chief Metropolitan Magistrate, Hyderabad cum Special Sessions Court (Trial Court) under the PMLA against erstwhile Satyam along with 212 accused persons. The Company had challenged the above prosecution before the Hon'ble High Court of Andhra Pradesh which quashed the criminal complaint against the Company vide its Order dated December 22, 2014. On an appeal preferred by the ED, the Divisional Bench of the High Court, however passed an interim Order allowing the hearing for framing 'Charges'. A Special Leave Petition was filed by the Company before the Hon'ble Supreme Court of India, which, vide its Order dated May 11, 2015, directed the Hon'ble High Court of Andhra Pradesh to dispose off the Writ Appeal on its merits and preferably within a period of four months and further stayed the proceeding before the Trial Court. The said Appeal has not been heard till date.

In view of the aforesaid developments, which occurred and crystallised during the year and also based on an independent legal opinion the Management believes that the claim by the 37 companies for repayment of the alleged advances, including interest thereon is not legally tenable. Consequently, pending the final outcome of the proceedings, as a matter of prudence, at this point of time, the Company has accounted and disclosed the amount of ₹ 12,304 Million as 'Suspense Account (net)', provided earlier. Although remote, in the event that these cases are decided against the Company, there would be no effect on the financial results or financial position of the company.

## 26 Claims by certain Shareholders of Erstwhile Satyam

In terms of the Settlement of claims made by Aberdeen Asset Management PLC., UK and Aberdeen Claims Administration Inc., USA, the erstwhile Satyam has deposited a total amount of USD 80.16 Million towards the Settlement Amount and interest in an Escrow Account during the financial year ended March 31, 2013. Remittance out of the Escrow is subject to the determination of appropriate withholding tax by the Authority for Advance Ruling (AAR).

## 27 Scheme of Amalgamation and Arrangement of Mahindra Engineering Services Limited (MESL):

Pursuant to the Scheme of Amalgamation and Arrangement (the Scheme) sanctioned by the Hon'ble High Court of Judicature at Bombay vide its Order dated October 31, 2014, MESL, merged with the Company with effect from the appointed date of April 1, 2013. MESL was 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 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, the Company had, in December 20, 2014, issued 5 Equity shares of ₹ 10 each fully paid-up in respect of every 12 Equity shares of ₹ 10 each 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 Company has initiated the name change formalities in respect of contracts, agreements, etc. of MESL.

The amalgamation is accounted under the 'pooling of interest' method as per Accounting Standard 14 on 'Accounting for Amalgamations' 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.
- The difference between face value of Equity shares issued by the Company pursuant to the Scheme and the amount of share capital of MESL, have been adjusted in the Reserves of the Company.
- Accordingly, the assets and liabilities of MESL are accounted at the following summarized values:

Particulars	₹ in Million
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)
<b>Net Assets</b>	<b>1,953</b>

₹ in Million	
<b>Particulars</b>	<b>Amount</b>
Equity Share capital of MESL	(102)
Equity shares issued by the Company pursuant to the scheme	42
Capital Reserve (credit balance)	(60)

In terms of the Scheme, the appointed date of the amalgamation being April 1, 2013, the net profit of MESL, aggregating ₹ 428 Million and movements in other components of Reserves and Surplus during the financial year 2013-14 have 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.

## 28 Scheme of Amalgamation of Tech Mahindra BPO Limited and New vC Services Private Limited

Pursuant to the Scheme of Amalgamation (the Scheme) sanctioned by the Hon'ble High Court of Judicature at Bombay vide its order dated March 04, 2016, Tech Mahindra BPO Limited (TMBPO), and New vC Services Private Limited (New vC) have been merged with the Company with effect from April 1, 2015 (the appointed date). The Scheme came into effect on March 29, 2016, 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 TMBPO and New vC have been transferred to and vested in the Company with effect from April 1, 2015.

TMBPO was engaged in business processes management, transitioning services and customer contract services.

New vC was engaged in the business of rendering Information Technology enabled and data processing services.

As the amalgamating companies i.e. TMBPO and New vC are both wholly owned subsidiaries of the Company, no consideration is payable on amalgamation with the Company.

The amalgamation is accounted under the 'pooling of interest' method as per Accounting Standard 14 on 'Accounting for Amalgamations' and as modified under the Scheme as under:

- All assets and liabilities and reserves of TMBPO and New vC have been recorded in the books of account of the Company at their respective carrying amounts and in the same form.
- Amount of Share capital of the transferor companies and gross value recorded as investments is adjusted and the difference is debited to The 'General Reserves' in accordance with the Scheme.
- Accordingly, the assets and liabilities of TMBPO and New vC are accounted at the following summarized values:

₹ in Million			
<b>Particulars</b>	<b>TMBPO</b>	<b>New vC</b>	<b>Total</b>
Fixed Assets (net) (Including Capital Work-in-Progress)	143	27	170
Non-Current Investments	-	62	62
Deferred Tax Asset	67	2	69
Trade Receivables	627	52	679
Cash and Bank Balances	48	54	102
Loans and Advances and other assets (long-term and short-term)	473	12	485
Liabilities and provisions (long-term and short-term)	1,056	25	1,081

Share Capital	331	90	421
Gross value recorded as investments	2,735	96	2,831
Debited to General Reserves	2,404	6	2,410

Accordingly, the figures for the year ended March 31, 2016 are after giving effect to the above mentioned merger, while the comparative figures are before giving effect to the merger and hence are not comparable.

The Company has initiated the name change formalities to transfer the title in respect of the contracts, agreements, etc. of TMBPO and New vC.

## **29 Land / Immovable Properties**

- i. 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 (APIIC)), 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 Andhra Pradesh 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 Telangana State Industrial Infrastructure Corporation Limited then APIIC.
- ii. 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. In terms of the MOU signed with the government, the Company registered a Lease Deed on July 10, 2015 for 6 acres of land and took possession. Balance 4 acres of land is reserved for the Company for which Lease Deed will be executed and possession will be given on fulfillment of conditions as laid down in MOU. The amount of ₹ 50 Million is included in Capital Advances (under Long-term loans and advances) as at March 31, 2016 (March 31, 2015: ₹ 50 Million).
- iii. 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 obtained extension to erect buildings and commence commercial activities by July 27, 2016.
- iv. Pursuant to the Scheme of Amalgamation and Arrangement (the Scheme) sanctioned by the Hon'ble High Court of Andhra Pradesh vide its order dated June 11, 2013 and the Hon'ble 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. 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.

### **30 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 (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, 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.

**31 Other matters****Foreign currency receivables**

In respect of overdue foreign currency receivables for the period's upto March 31, 2009 pertaining to Erstwhile Satyam and overdue foreign currency receivables of TMBPO, the Company is taking steps under the provisions of FEMA, for recovery and/or permissions for write-offs, as appropriate. Erstwhile Satyam under the Management post Government nominated Board and TMBPO has fully provided for these receivables.

**32 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 ₹ 14 Million is outstanding as at March 31, 2016 (March 31, 2015: ₹ 3 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.

**33 A) Acquisitions / Additional Investments in entities**

- i) On March 30, 2015, Company had incorporated 100% subsidiary as Tech Mahindra DRC SARLU in Congo DRC. During the year ended March 31, 2016, the Company has made an investment of USD 0.1 Million (₹ 6 Million).
- ii) On May 15, 2015, Company had incorporated a subsidiary Nth Dimension Ltd in United Kingdom with a stake of 86.50%. During the year ended March 31, 2016, the Company has infused share capital of GBP 8.65.
- iii) The Company has entered into a joint venture agreement dated April 25, 2015 with "Qatar Engineering Trading and Contracting Company" and "KPC Aurion Holding WLL." in an incorporated entity namely IQS Information Solutions WLL in Qatar. The Company holds minority stake in this entity and has infused USD 0.02 Million (₹ 1 Million) in IQS Information Solutions WLL during the year ended March 31, 2016. The Company has classified its investment in IQS Information Solutions WLL as investment in associate.
- iv) During the year ended March 31, 2016, the Company has infused additional share capital USD 5.69 Million (₹ 379 Million) in its 100% subsidiary Tech Mahindra Servicos De Informatica LTDA.
- v) During the year ended March 31, 2016, the Company has infused additional share capital of RM 10 Million (₹ 159 Million) in its 100% Subsidiary Tech Mahindra ICT Services (Malaysia) SDN. BHD.
- vi) During the year ended March 31, 2016, Company had incorporated a subsidiary Tech Mahindra Arabia Limited in Saudi Arabia wherein the Company holds controlling stake i.e. 51% equity. The Company has infused SAR 0.51 Million (₹ 9 Million) in Tech Mahindra Arabia Limited.
- vii) During the year ended March 31, 2016, the Company has infused additional share capital of USD 0.37 Million (₹ 24 Million) in its 100% subsidiary Satyam Computer Services De Mexico S.DE R.L.DE C.V. Further, the name of Satyam Computer Services De Mexico S.DE R.L.DE C.V was changed to Tech Mahindra De Mexico S.DE R.L.DE C.V.
- viii) During the year ended March 31, 2016, the Company formed a 100% subsidiary in France namely Tech Mahindra France SAS. The Company infused EUR 0.1 Million (₹ 7 Million) in share capital of Tech Mahindra France SAS.
- ix) The Company formed a 100% subsidiary in India namely Tech Mahindra Growth Factories Limited. The Company infused ₹ 98 Million in share capital of Tech Mahindra Growth Factories Limited.

- x) During the year ended March 31, 2016, the Company formed a 100% subsidiary in Netherlands namely Tech Mahindra Netherlands B.V. The Company infused EUR 0.05 Million (₹ 3 Million) in the share capital of Tech Mahindra Netherlands B.V.
- xi) During the year ended March 31, 2016, the Company has infused SEK 0.05 Million (₹ 0.4 Million) in Tech Mahindra Sweden AB (a 100% Subsidiary of the Company) and its incorporation is under process.
- xii) During the year ended March 31, 2016, as per the notarized merger order, Mahindra Engineering GmbH was merged with Tech Mahindra GmbH w.e.f. April 1, 2015. Tech Mahindra Limited and Mahindra Engineering Services (Europe) Limited are shareholders of Mahindra Engineering GmbH holding 84% and 16% respectively.

As per the merger order, all assets and liabilities with duties and obligations are transferred to Tech Mahindra GmbH and the shareholders of Mahindra Engineering GmbH to waive off their rights. The Company has already provided for its investment in Mahindra Engineering GmbH during the previous years. The Company is in process of applying to RBI for the approval of write off for the said investment in the books of accounts.

**B) Entity incorporated but operations not commenced**

During the year ended March 31, 2015, the Company had 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, 2016 nor has commenced its operations.

**34 A) Disinvestments in / Liquidations of entities:**

- i) During the year ended March 31, 2016, following entities (100% subsidiaries of Lightbridge Communications Corporation) have been closed/liquidated/dissolved and no transactions were entered into with these subsidiaries during the year ended March 31, 2016.

<b>Name of Entities</b>
Opticore Holdings, Inc
Opticore Networks, Inc.
Opticore Networks EMA, LLC
Opticore EMA, LLC
LCC Diseno y Servicios Argentina, SRL
Burgundy Holding Corporation
LCC Wireless Design Services, Inc
Wireless Facilities International Ltd
LCC Wireless Services Canada, Inc
LCC Middle East Holdings, B.V.
LCC Colombia LTDA
Leadcom Integrated Solutions USA Inc.
LCC Diseno y Servicios Chile

- ii) During the year ended March 31, 2016 following entities (100% subsidiaries of Lightbridge Communications Corporation) and Sofgen Holdings Limited had applied for liquidation and the same is under process.

<b>Name of Entities</b>
LCC do Brasil LTDA
SC Compania Sofgen SRL
LCC Diseno y Servicios de RED Peru S.R.L

- iii) With effect from December 31, 2015, 100% stake of Leadcom Telecommunicaciones de Chile S.A. (a 100% subsidiary of Lightbridge Communications Corporation) has been disinvested for a consideration of EUR 0.001 Million (₹ 0.08 Million).

**B) Liquidated - R.B.I approval pending**

- i) During the year ended March 31, 2016 Satyam Colombia Servicios DE Informatica SAS (100% subsidiary of Tech Mahindra Servicos DE Informatica LTDA) had applied for liquidation. With effect from February 15, 2016 Satyam Colombia Servicios DE Informatica SAS has been liquidated.
- ii) 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 Belgium on September 17, 2014. On liquidation, the Company has received ₹ 328 Million (EUR 4.23 Million) as proceeds of liquidation. The Company's value of investment in the said entity (net of provision) before the liquidation was ₹ 316 Million. Therefore excess proceeds of ₹ 12 Million have been accounted under sundry balance written back under other income. The Company has applied to RBI for approval to write off the said investment. The Company is awaiting for approval and hence the investments and provision for investments are not knocked off.
- iii) 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. With effect from June 25, 2015 Satyam Computer Services (Egypt) S.A.E has been liquidated.

**35** 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.

**36 Provision made / reversed against Investments of subsidiaries/entities**

- i. 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, 2016, 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.
- ii. Based on the Management's assessment and improved financial performance of following subsidiaries/entities, the Company, during the year ended March 31, 2016, has reversed the provision for diminution in value of its investment, which was provided for in earlier years.

₹ in Million

<b>Name of subsidiaries/entities</b>	
Tech Mahindra GmbH	354
Tech Mahindra (Shanghai) Co. Limited	283
Dion Global Solutions Limited	243
<b>Total</b>	<b>880</b>

**37 Exceptional item**

During the year ended March 31, 2015, based on the Management's assessment and improved financial performance of Citisoft Plc, the Company had reversed the provision for diminution in value of its investment in Citisoft Plc, which was provided in earlier years, amounting to ₹ 613 Million.

**38 Details of employee benefits as required by the Accounting Standard 15 (Revised) – Employee Benefits are as under:**

**i. 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:

- ₹ 2,233 Million (March 31, 2015: ₹ 2,096 Million) for Provident Fund contributions,
- ₹ 386 Million (March 31, 2015 : ₹ 425 Million) for Superannuation Fund contributions,
- ₹ 20 Million (March 31, 2015 : ₹ 18 Million) for National Pension Scheme contributions and
- ₹ 46 Million (March 31, 2015: ₹ 36 Million) for Employee State Insurance Scheme contributions.

The contributions to these plans are made at specified percentage / applicable amounts.

**ii. 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 / TMBPO / New vC) showing amount recognized in the Balance Sheet is as under:

Particulars	₹ in Million	
	As at	
	March 31, 2016	March 31, 2015
Projected benefit obligation, beginning of the year	2,322	2,177
Add: Additions on account of amalgamation (refer note 27 & 28)	26	82
Service cost	392	389
Interest cost	170	196
Actuarial (Gain) / Loss	(97)	(250)
Amount transferred to group companies	(2)	-
Benefits paid	(388)	(272)
<b>Projected benefit obligation, at the end of the year</b>	<b>2,423</b>	<b>2,322</b>
Trust Fund Receivable (erstwhile TMRDL / MESL / TMBPO / New vC (refer note 27 & 28))*	(127)	(117)
<b>Projected benefit obligation, at the end of the year (net)</b>	<b>2,296</b>	<b>2,205</b>

- \* The Trust fund was created to fund the gratuity liability of the erstwhile TMRDL and MESL. After amalgamation of TMRDL, MESL, TMBPO and New vC 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, MESL, TMBPO and New vC.

**The composition of Funded balance is as follows :**

Particulars	₹ in Million	
	March 31, 2016	March 31, 2015
Insured Managed Funds (refer note 27 & 28)	79	72
Government of India Securities/ State Government Securities / Gilt Mutual Funds	22	21
Public Sector Unit Bonds	15	9
Mutual Funds	5	3
Bank Balance	6	12
<b>Total</b>	<b>127</b>	<b>117</b>

Expense recognized in the Statement of Profit and Loss	₹ in Million	
	For the year ended	
	March 31, 2016	March 31, 2015
Service cost	392	389
Interest cost	170	196
Expected Return on Plan Assets	(10)	(10)
Actuarial (Gain)/Loss	(97)	(250)
<b>Total</b>	<b>455</b>	<b>325</b>

**Experience Adjustments (Non Funded)**

Particulars	₹ in Million				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
1. Defined Benefit Obligation	(2,423)	(2,322)	(2,177)	(1,177)	(1,071)
2. Fair value of plan assets	127	117	40	38	35
3. Surplus/(Deficit)	(2,296)	(2,205)	(2,137)	(1,139)	(1,036)
4. Experience adjustment on plan liabilities Gain/(Loss)	46	16	251	130	30
5. Experience adjustment on plan assets Gain/(Loss)	1	1	(2)	(0)	(1)
6. Actuarial Gain / (Loss) due to change on assumptions	50	233	301	(20)	(25)

Principal Actuarial Assumptions (Non Funded)	As at	
	March 31, 2016	March 31, 2015
Discount Rate	7.90%	7.90%
Expected rate of increase in compensation	4% to 10%	4% to 10%
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.

**39 Payment to Auditors (net of service tax)**

<b>Particulars</b>	<b>₹ in Million</b>	
	<b>For the year ended</b>	<b>March 31, 2016</b>
Audit Fees (including quarterly audits)	<b>30</b>	30
For taxation matters	<b>2</b>	3
For other service (certifications, etc)	<b>22</b>	22
For reimbursement of expenses	<b>1</b>	0
<b>Total</b>	<b>55</b>	55

**40 a) Value of Imports calculated on C.I.F. Basis**

<b>Particulars</b>	<b>₹ in Million</b>	
	<b>For the year ended</b>	<b>March 31, 2016</b>
Components, spare parts and others	<b>451</b>	223
Capital goods	<b>805</b>	2,098
<b>Total</b>	<b>1,256</b>	2,321

**b) Expenditure in Foreign Currency**

<b>Particulars</b>	<b>₹ in Million</b>	
	<b>For the year ended</b>	<b>March 31, 2016</b>
Employee Benefits Expense	<b>27,339</b>	27,222
Subcontracting Expenses	<b>77,576</b>	62,768
Finance Costs	<b>139</b>	46
Operating and Other Expenses	<b>11,731</b>	11,754
Tax Expense	<b>767</b>	1,863
<b>Total</b>	<b>117,552</b>	103,653

**41 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, 2015 and paid to non – resident shareholders are as under:

<b>Dividend relating to Financial Year</b>	<b>Dividend paid in Financial year</b>	<b>Number of Shareholders</b>	<b>Number of Equity Shares</b>	<b>Amount remitted ₹ in Million</b>
<b>Final Dividend</b>				
<b>2014-2015</b>	<b>2015-2016</b>	<b>7</b>	<b>548,984</b>	<b>3</b>
2013-2014	2014-2015	6	119,246	2

**42 Earnings in foreign currency**

<b>Particulars</b>	<b>₹ in Million</b>	
	<b>For the year ended</b>	<b>March 31, 2016</b>
Income from Services	<b>199,903</b>	183,669
Rent income	<b>19</b>	23
Interest income	<b>42</b>	11
Dividend income	<b>3,437</b>	153
Other income	<b>16</b>	-
<b>Total</b>	<b>203,417</b>	183,856

**43 Leases**

i. 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, 2016 is ₹ 1,408 Million (year ended March 31, 2015: ₹ 1,280 Million). The future lease payments of such operating lease are as follows:

Particulars	₹ in Million		
	Not later than 1 year	Later than 1 year not later than 5 years	Later than 5 years
Minimum Lease rentals payable (March 31, 2015: ₹ 474 Million, ₹ 578 Million and ₹ 78 Million respectively)	388	862	24

ii. 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, 2016 is ₹ 209 Million (year ended March 31, 2015: ₹ 135 Million). The future lease payments of operating lease are as follows:

Particulars	₹ in Million		
	Not later than 1 year	Later than 1 year not later than 5 years	Later than 5 years
Minimum Lease rentals payable (March 31, 2015: ₹ 162 Million, ₹ 191 Million and ₹ Nil respectively)	109	80	Nil

iii. The Company has taken vehicles on finance lease. The future lease rent payable on such vehicles taken on finance lease are as follows:

Particulars	₹ in Million	
	As at March 31, 2016	March 31, 2015
Minimum lease payments		
- Less than one year	17	58
<b>Total</b>	<b>17</b>	<b>58</b>
Present value of minimum lease payments		
- Less than one year	16	52
<b>Total</b>	<b>16</b>	<b>52</b>

iv. The Company has taken computer equipments on finance lease. The future lease rent payable on such computer equipments taken on finance lease are as follows:

Particulars	₹ in Million	
	As at March 31, 2016	
Minimum lease payments		
- Less than one year	373	
- One to five years	1,042	
<b>Total</b>	<b>1,415</b>	
Present value of minimum lease payments		
- Less than one year	336	
- One to five years	994	
<b>Total</b>	<b>1,330</b>	

v. 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, 2016 is ₹ 96 Million (year ended March 31, 2015: ₹ 212 Million). The future lease rent receivable on such premises given on operating lease are as follows:

<b>Particulars</b>	<b>₹ in Million</b>		
	<b>Not later than 1 year</b>	<b>Later than 1 year not later than 5 years</b>	<b>Later than 5 years</b>
Minimum Lease rentals receivable (March 31, 2015: ₹ 212 Million, ₹ 504 Million and ₹ 10,969 Million respectively)	<b>91</b>	<b>497</b>	<b>10,876</b>

vi. During the year ended March 31, 2015, 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.

vii. The Company has given computer equipments on finance lease. The future lease rent receivable on such computer equipments given on finance lease are as follows:

<b>Particulars</b>	<b>₹ in Million</b>	
	<b>As at March 31, 2016</b>	
Minimum lease receivable		
- Less than one year		<b>111</b>
- One to five years		<b>246</b>
<b>Total</b>		<b>357</b>
Present value of minimum lease receivable		
- Less than one year		<b>99</b>
- One to five years		<b>205</b>
<b>Total</b>		<b>304</b>

viii. The Company has entered into Sale and lease back arrangements with leasing companies for certain computer equipments at book value. The future lease rent payable are as follows:

<b>Particulars</b>	<b>₹ in Million</b>	
	<b>As at March 31, 2016</b>	
Minimum lease payments		
- Less than one year		<b>251</b>
- One to five years		<b>754</b>
<b>Total</b>		<b>1,005</b>
Present value of minimum lease payments		
- Less than one year		<b>224</b>
- One to five years		<b>715</b>
<b>Total</b>		<b>939</b>

44 The Hon'ble 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

**45 The tax effect of significant timing differences that has resulted in deferred tax assets are given below:**

Particulars	As at March 31, 2015	Additions on amalgamation (refer note 28)	(Charge) / asset created during the year ended March 31, 2016	₹ in Million As at March 31, 2016
Deferred Tax Assets				
Depreciation	1,252	54	27	1,333
Provision for doubtful trade receivables	898	-	697*	1,595
Provision for employee benefits	673	15	190	878
Others	57	-	(6)	51
<b>Total</b>	<b>2,880</b>	<b>69</b>	<b>908</b>	<b>3,857</b>

\* Based on the reassessment of creation of deferred tax asset on certain provision for doubtful trade receivable, the company has created deferred tax asset during the year on provision for doubtful trade receivable pertaining to erstwhile TMBPO amounting to ₹ 339 Million.

**46 Exchange gain/(loss)(net) accounted during the year**

- 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.
- 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)
	<b>GBP : USD 174</b> (March 31, 2015: 183)	<b>982</b> (March 31, 2015: 795)
	<b>EUR : USD 155</b> (March 31, 2015 : 155)	<b>137</b> (March 31, 2015 : 1,375)
Forward	<b>AUD : USD 42</b> (March 31, 2015 : Nil)	<b>(134)</b> (March 31, 2015: Nil)
	<b>USD : CAD 26</b> (March 31, 2015 : Nil)	<b>(23)</b> (March 31, 2015 : Nil)

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)
	<b>USD 1,651</b> (March 31, 2015: 1,441)	<b>1,036</b> (March 31, 2015:(1,390))
Forward	<b>EUR Nil</b> (March 31, 2015: 1)	<b>Nil</b> (March 31, 2015: 9)
	<b>GBP Nil</b> (March 31, 2015: 1)	<b>Nil</b> (March 31, 2015: 1)
Option	<b>USD 60</b> ( March 31, 2015: 180)	<b>46</b> ( March 31, 2015: (25))

The Mark to Market as at March 31, 2016 is net of gain / loss as given below:

<b>Particulars</b>	<b>₹ in Million</b>	
	<b>As at</b>	
	<b>March 31, 2016</b>	March 31, 2015
Classified under Long-Term Loans and Advances	<b>Loss: 384</b>	Loss: 1,042
Classified under Short-Term Loans and Advances	<b>Loss: 1,040</b>	Loss: 1,502

The movement in hedging reserve during the year ended March 31, 2016 for derivatives designated as Cash Flow Hedges is as follows:

<b>Particulars</b>	<b>₹ in Million</b>	
	<b>As at</b>	
	<b>March 31, 2016</b>	March 31, 2015
Credit/(Debit) Balance at the beginning of the year	<b>720</b>	(5,589)
Gain/(Loss) net transferred to income statement on occurrence of forecasted hedge transaction	<b>(8)</b>	609
Changes in the fair value of effective portion of outstanding cash flow derivative	<b>1,254</b>	6,918
(Debit)/Credit Balance	<b>1,982</b>	720

Net gain on derivative instruments of ₹ 1,546 Million (March 31, 2015: Gain ₹ 319 Million) recognised in hedging reserve as of March 31, 2016 is expected to be reclassified to the statement of Profit and Loss by June 30, 2017.

Exchange Gain/(Loss) net of ₹ (8) Million (March 31, 2015: Gain ₹ 609 Million) on foreign exchange forward contracts and currency options contracts have been recognised for the year ended March 31, 2016.

**iii.** As at March 31, 2016, the Company has net foreign exchange exposures that are not hedged by a derivative instruments or otherwise amounting to ₹ 46,107 Million (March 31, 2015: ₹ 34,942 Million).

**47** Current tax for the year ended March 31, 2016 includes tax expense (net of refund/write back) for foreign branches amounting to ₹ 1,297 Million (March 31, 2015: ₹ 1,961 Million). Current tax expense for the year ended March 31, 2016 is net of excess provision of ₹ 531 Million (net) (March 31, 2015: ₹ 64 Million) of earlier periods written back, no longer required. The Company has made provision towards current tax in respect of its domestic operations for the year ended March 31, 2016. 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.

**48** 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:

<b>Particulars</b>	<b>₹ in Million</b>	
	<b>As at</b>	
	<b>March 31, 2016</b>	March 31, 2015
Opening balance	<b>163</b>	199
Provision made during the year	<b>285</b>	248
Reversals during the year	<b>(1)</b>	(130)
Payments /utilisation made during the year	<b>(253)</b>	(155)
<b>Closing balance</b>	<b>194</b>	163

**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.

**49 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:

<b>Particulars</b>	<b>₹ in Million</b>	
	<b>As at</b>	
	<b>March 31, 2016</b>	<b>March 31, 2015</b>
Opening Balance	<b>711</b>	711
Provision made during the year	-	-
Reversal/utilisation made during the year #	<b>(319)</b>	-
<b>Closing balance</b>	<b>392</b>	711

# refer note 24.5.1.iv

**50** As required under Accounting Standard 18 on "Related Party Disclosures" (AS 18), following are details of transactions during the year ended March 31, 2016 and outstanding balances as of that date with the related parties of the Company as defined in AS 18:

**i. List of Related Parties and Relationships:**

<b>Name of Related Party</b>	<b>Extent of holding/ Relationship</b>
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
Tech Mahindra GmbH and its following 100% subsidiaries	100% Subsidiary Company
TechM IT-Services GmbH	100% Subsidiary Company
Tech Mahindra Business Services GmbH	100% Subsidiary Company
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 24.2 (v)]
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 B.V. and its following 100% subsidiaries	67.12% Subsidiary Company
ATS Advanced Technology Solutions S A	67.12% Subsidiary Company [Refer note 24.2 (viii)]
ATS Advanced Technology Solutions do Brasil Industria Comercio, Importacao e Exportacao Ltda	67.12% Subsidiary Company [Refer note 24.2 (viii)]

<b>Name of Related Party</b>	<b>Extent of holding/ Relationship</b>
Terra Payment Services South Africa (Pty) Ltd	67.12% Subsidiary Company
Terra Payment Services (Netherlands) BV and its following 100% subsidiaries	67.12% Subsidiary Company
Mobex Money Transfer Services Limited	67.12% Subsidiary Company
Terrapay Services (UK) Limited	67.12% Subsidiary Company
Terra Payment Services (Tanzania) Limited	67.12% Subsidiary Company
Terra Payment Services (Uganda) Limited	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
Tech Mahindra South Africa (Pty) Limited	51% Subsidiary Company
Tech Mahindra BPO Limited	Merged with Company [Refer note 28]
Tech Mahindra (Shanghai) Co. Limited	100% Subsidiary Company
Tech Mahindra (Nanjing) Co. Limited	100% Subsidiary Company
Tech Mahindra Technologies Inc.	100% Subsidiary Company
Citisoft Plc. and its following 100% subsidiary	100% Subsidiary Company
Citisoft Inc.	100% Subsidiary Company
Satyam Computer Services Belgium BVBA	[Refer note 34 (B) (ii)]
Satyam Venture Engineering Services Private Limited and its following 100% subsidiary	50% Subsidiary Company [Refer note 30]
Satyam Venture Engineering Services (Shanghai) Co. Limited	50% Subsidiary Company
Satven GmbH (Formerly known as Satyam Venture Engineering Services GmbH)	50% Subsidiary Company
Tech Mahindra De Mexico S.D.E.R.L.D.E.C.V. (Formerly known as Satyam Computer Services De Mexico S.D.E.R.L.D.E.C.V.)	100% Subsidiary Company [Refer note 33 (A) (vii)]
New vC Services Private Limited	Merged with Company [Refer note 28]
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 33 (A) (iv)]
Satyam Colombia Servicios DE Informatica SAS	100% Subsidiary Company [Refer note 34 (B) (i)]
Complex IT Solution Consultoria EM Informatica S/A	100% Subsidiary Company
Tech Mahindra ICT Services (Malaysia) SDN. BHD.	100% Subsidiary Company [Refer note 33 (A) (v)]
FixStream Networks Inc. and its 100% subsidiary	73.9% Subsidiary Company
Quexa Systems Private Limited	73.9% Subsidiary Company
TechM Canada Inc.	100% Subsidiary Company [Refer note 33 (B)]
Mahindra Technologies Services Inc.	100% Subsidiary Company
Mahindra Engineering Services (Europe) Limited	100% Subsidiary Company
Mahindra Engineering GmbH	[Refer note 33 (A) (xii)]
Tech Mahindra (Americas) Inc. and its following 100% subsidiary	100% Subsidiary Company
Tech Talenta Inc.	100% Subsidiary Company
TAPIO INC.	100% Subsidiary Company
Lightbridge Communications Corporation and its following subsidiaries:	100% Subsidiary Company
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 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
SARL Djazatech	Associate of LCC
EURL LCC UK Algerie	Associate of LCC
LCC Service Belgium NV	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 Marox, 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 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 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
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
Leadcom Integrated Solutions USA Inc.	[Refer note 34 (A) (i)]
Leadcom S.A.	100% subsidiary Company of LCC
Leadcom Bolivia S.R.L.	100% subsidiary Company of LCC
Leadcom Integrated Solutions Tchad SARL	100% subsidiary Company of LCC
Leadcom Telecommunicaciones de Chile S.A.	[Refer note 34 (A) (iii)]
Leadcom de Colombia S.A.	100% subsidiary Company of LCC

<b>Name of Related Party</b>	<b>Extent of holding/ Relationship</b>
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
Leadcom Guatemala*	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
Opticore Holdings, Inc	[Refer note 34 (A) (i)]
Opticore Networks, Inc	[Refer note 34 (A) (i)]
Opticore Networks EMA, LLC	[Refer note 34 (A) (i)]
Opticore EMA, LLC	[Refer note 34 (A) (i)]
LCC Diseno y Servicios Argentina,SRL	[Refer note 34 (A) (i)]
Burgundy Holding Corporation	[Refer note 34 (A) (i)]
LCC Wireless Design Services, Inc	[Refer note 34 (A) (i)]
Wireless Facilities International Ltd	[Refer note 34 (A) (i)]
LCC Wireless Services Canada, Inc	[Refer note 34 (A) (i)]
LCC Middle East Holdings, B.V.	[Refer note 34 (A) (i)]
LCC Colombia LTDA	[Refer note 34 (A) (i)]
LCC Diseno y Servicios Chile	[Refer note 34 (A) (i)]
LCC do Brasil Ltda.	[Refer note 34 (A) (ii)]
LCC Diseno y Servicios de RED Peru S.R.L	[Refer note 34 (A) (iii)]
Sofgen Holdings Limited	100% subsidiary Company
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	[Refer note 34 (A) (ii)]
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

<b>Name of Related Party</b>	<b>Extent of holding/ Relationship</b>
Sofgen Consulting AG	100% subsidiary of Sofgen SA
Sofgen SaveTax S.A	100% subsidiary of Sofgen SA
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 33 (A) (i)]
Nth Dimension Ltd	86.50% Subsidiary Company [Refer note 33 (A) (ii)]
Tech Mahindra Arabia Limited	51% subsidiary [refer note 33 (A) (vi)]
Tech Mahindra Netherlands B.V.	100% Subsidiary Company [refer note 33 (A) (x)]
Tech Mahindra Growth Factories Limited	100% Subsidiary Company [refer note 33 (A) (ix)]
Tech Mahindra France SAS	100% Subsidiary Company [refer note 33 (A) (viii)]
Tech Mahindra Sweden AB	100% Subsidiary Company [refer note 33 (A) (xi)]
Avion Networks, Inc.	Associate Company
IQS Information Solutions WLL	Associate Company [Refer note 33 (A) (iii)]
Satyam (Europe) Ltd	@
Vision Compass Inc.	@
Nitor Global Solutions Limited	@
Satyam Computer Services (Egypt) S.A.E	[Refer note 34 (B) (iii)]
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	Trust to hold the treasury stock
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 – 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

\* w.e.f May 15, 2015 Servicios Integrales de Telecommunicaciones Y Obras Civiles, Sociedad Anonima has been renamed as Leadcom Guatemala.

\*\* Executive Vice Chairman till August 9, 2015.

**ii. Related party Transactions for the year ended March 31, 2016**

<b>Nature of Transaction</b>	<b>Particulars</b>	<b>For the year ended</b>	
		<b>March 31, 2016</b>	<b>March 31, 2015</b>
<b>Revenue</b>	Mahindra & Mahindra Limited	<b>1,201</b>	1,268
	Tech Mahindra (Americas) Inc.	<b>6,680</b>	2,779
	Tech Mahindra GmbH	<b>3,574</b>	816
	Tech Mahindra (Singapore) Pte. Limited	<b>531</b>	554
	PT Tech Mahindra Indonesia	<b>40</b>	125
	Tech Mahindra (Thailand) Limited	<b>20</b>	18
	Tech Mahindra (Malaysia) SDN. BHD.	<b>145</b>	364
	Tech Mahindra (Bahrain) Limited S.P.C	<b>10</b>	0
	Tech Mahindra (Nigeria) Limited	<b>100</b>	56
	Tech Mahindra South Africa (Pty) Ltd	<b>113</b>	3
	Comviva Technologies Limited	<b>2</b>	22
	Tech Mahindra BPO Limited [now merged with Company]	<b>-</b>	71
	Tech Mahindra (Shanghai) Co. Limited	<b>134</b>	119
	Tech Mahindra (Nanjing) Co. Limited	<b>3</b>	6
	Tech Mahindra Servicos De Informatica LTDA	<b>46</b>	95
	Satyam Colombia Servicos DE Informatica SAS	<b>-</b>	19
	Complex IT Solution Consultoria EM Informatica S/A.	<b>-</b>	1
	Tech Mahindra IPR Inc.	<b>133</b>	146
	Mahindra Technologies Services Inc.	<b>2</b>	10
	Mahindra Engineering Services (Europe) Limited	<b>160</b>	71
	Mahindra Engineering GmbH	<b>-</b>	6
	Leadcom Integrated Solutions (L.I.S.) Ltd	<b>539</b>	-
	FixStream Networks Inc	<b>11</b>	-
	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	<b>46</b>	-
	LCC International, Inc.	<b>1</b>	-
	LCC North Central Europe, B.V.	<b>2</b>	-
	Sofgen Services Pte. Ltd.	<b>6</b>	-
	Sofgen Africa Limited	<b>1</b>	-
	Sofgen Americas Inc	<b>10</b>	-
	Nth Dimension Ltd	<b>35</b>	-
<b>Sub-contracting Expenses</b>	Tech Mahindra (Americas) Inc.	<b>53,203</b>	44,281
	Mahindra & Mahindra Limited	<b>-</b>	19
	Tech Mahindra GmbH	<b>5,391</b>	2,756
	Tech Mahindra (Singapore) Pte. Limited	<b>438</b>	306
	Tech Mahindra (Thailand) Limited	<b>10</b>	10
	Tech Mahindra (Malaysia) SDN. BHD.	<b>109</b>	299
	Tech Mahindra (Beijing) IT Services Limited	<b>37</b>	15
	Tech Mahindra (Bahrain) Limited S.P.C	<b>39</b>	61
	Tech Mahindra (Nigeria) Limited	<b>-</b>	4

<b>Nature of Transaction</b>	<b>Particulars</b>	<b>For the year ended</b>	
		<b>March 31, 2016</b>	<b>March 31, 2015</b>
	Comviva Technologies Limited	<b>126</b>	113
	Comviva Technologies FZ-LLC	<b>5</b>	22
	Tech Mahindra BPO Limited [now merged with Company]	<b>-</b>	715
	Tech Mahindra (Shanghai) Co. Limited	<b>89</b>	54
	New vC Services Private Limited [now merged with Company]	<b>-</b>	68
	Tech Talenta Inc.	<b>67</b>	72
	Satyam Venture Engineering Services Private Limited	<b>29</b>	97
	Tech Mahindra Technologies Inc.	<b>249</b>	254
	Tech Mahindra Servicos De Informatica LTDA	<b>193</b>	340
	Tech Mahindra (Nanjing) Co. Limited	<b>69</b>	59
	Citisoft Plc.	<b>35</b>	50
	vCustomer Philippines, Inc.	<b>655</b>	166
	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	<b>1,119</b>	807
	vCustomer Philippines (Cebu), Inc	<b>773</b>	86
	TechM IT Services GmbH	<b>53</b>	15
	LCC Services Belgium N.V.	<b>381</b>	64
	Tech Mahindra Business Services Limited	<b>187</b>	-
	LCC Design Services Inc	<b>35</b>	-
	LCC Wireless Communication Services Espana SA	<b>1</b>	-
	LCC Middle East FZ-LLC	<b>8</b>	-
	LCC Deployment Services UK, Ltd	<b>11</b>	-
	Tech Mahindra De Mexico S.DE R.L.DE C.V	<b>160</b>	-
	Sofgen (UK) Limited	<b>31</b>	-
	Sofgen Services Pte. Ltd.	<b>2</b>	-
	FixStream Networks Inc	<b>1</b>	-
	Sofgen India Private Limited	<b>2</b>	-
	Sofgen SA	<b>1</b>	-
	Sofgen Services Limited	<b>1</b>	-
	Mahindra Engineering Services (Europe) Limited	<b>16</b>	-
<b>Reimbursement of Expenses (Net)-Paid/ (Receipt)</b>	Mahindra & Mahindra Limited	<b>(0)</b>	(54)
	Tech Mahindra (Americas) Inc.	<b>(971)</b>	(1,128)
	Tech Mahindra GmbH	<b>(282)</b>	(23)
	Tech Mahindra (Singapore) Pte. Limited	<b>(27)</b>	(18)
	Tech Mahindra (Thailand) Limited	<b>25</b>	0
	PT Tech Mahindra Indonesia	<b>97</b>	(14)
	Tech Mahindra (Malaysia) SDN. BHD.	<b>(1)</b>	(6)
	Tech Mahindra (Beijing) IT Services Limited	<b>1</b>	0
	Tech Mahindra (Bahrain) Limited S.P.C	<b>(5)</b>	(11)
	Tech Mahindra (Nigeria) Limited	<b>(78)</b>	(2)
	Comviva Technologies Limited	<b>(25)</b>	5

<b>Nature of Transaction</b>	<b>Particulars</b>	<b>For the year ended</b>	
		<b>March 31, 2016</b>	<b>March 31, 2015</b>
	Tech Mahindra BPO Limited [now merged with Company]	-	(59)
	Tech Mahindra Business Services Limited	(17)	(58)
	Citisoft Plc.	(0)	(0)
	Cltisoft Inc.	0	1
	New vC Services Private Limited [now merged with Company]	-	(29)
	Tech Mahindra Servicos De Informatica LTDA	0	0
	Satyam Colombia Servicios DE Informatica SAS	0	-
	Satyam Venture Engineering Services Private Limited	(21)	(15)
	Tech Talenta Inc.	(3)	(4)
	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	(3)	(18)
	vCustomer Philippines, Inc.	3	1
	vCustomer Philippines (Cebu), Inc	3	-
	Tech Mahindra (Shanghai) Co. Limited	(6)	(6)
	Mahindra Educational Institutions	0	(6)
	Complex IT Solution Consultoria EM Informatica S/A.	2	1
	Mahindra Technologies Services Inc.	(14)	(23)
	Mahindra Engineering Services (Europe) Limited	(4)	(3)
	Tech Mahindra IT Services GmbH	(0)	(4)
	Tech Mahindra South Africa (Pty) Ltd	-	(9)
	Mahindra Engineering GmbH	-	(0)
	Lightbridge Communications Corporation	(18)	-
	LCC Middle East FZ-LLC	1	-
	LCC Deployment Services UK, Ltd	(19)	-
	Sofgen Australia Pty Limited	0	-
	Sofgen SA	(0)	-
	Sofgen Services Ltd.	(2)	-
	Sofgen (UK) Limited	(1)	-
	Sofgen Consulting AG	(0)	-
	Sofgen Save Tax S.A.	(0)	-
	Sofgen Ireland Limited	(1)	-
	Sofgen India Private Limited	(0)	-
	Sofgen Services Pte. Ltd.	(0)	-
	FixStream Networks Inc	2	-
	Nth Dimension Ltd	(0)	-
	Leadcom Integrated Solutions (L.I.S.) Ltd	(6)	-
	Tech Mahindra Growth Factories Limited	2	-
	Tech Mahindra DRC SARLU	(0)	-

<b>Nature of Transaction</b>	<b>Particulars</b>	<b>For the year ended</b>	
		<b>March 31, 2016</b>	<b>March 31, 2015</b>
<b>Software/Hardware and project specific expenses</b>	Comviva Technologies FZ-LLC	-	2
	Comviva Technologies Limited	36	80
	Tech Mahindra (Nigeria) Limited	-	11
	vCustomer Philippines, Inc.	-	3
<b>Rent Expenses</b>	Mahindra & Mahindra Limited	5	1
	Tech Mahindra GmbH	-	2
	Tech Mahindra BPO Limited [now merged with Company]	-	7
	Tech Mahindra Business Services Limited	3	-
	LCC Wireless Communications Espana, SA	2	-
<b>Rent Income</b>	Mahindra & Mahindra Limited	30	0
	New vC Services Private Limited [now merged with Company]	-	13
	Tech Mahindra BPO Limited [now merged with Company]	-	139
	Citisoft Plc.	14	14
	Mahindra Educational Institutions	74	65
	LCC Middle East FZ-LLC	4	-
<b>Professional Services</b>	Mahindra & Mahindra Limited	12	12
<b>Interest Income</b>	Tech Mahindra (Nigeria) Limited	1	1
	Tech Mahindra South Africa Pty Limited	1	1
	Tech Mahindra Servicos De Informatica LTDA	5	-
	Lightbridge Communications Corporation	16	-
	Sofgen Holdings Limited	0	-
	Mahindra Engineering Services (Europe) Limited	2	-
	Nth Dimension Ltd	1	-
	FixStream Networks Inc.	1	-
<b>Corporate Social Responsibility Expenditure (donations)</b>	Tech Mahindra Foundation	297	258
	Mahindra Educational Institutions	170	274
<b>Salary, Perquisites and Commission to KMP's / relative of KMP</b>	Vineet Nayyar	17	35
	C. P. Gurnani	24	23
	Milind Kulkarni	9	6
	G. Jayaraman	5	5
	Gokul Jayaraman	1	1
	Key Management Personnel	#	#
<b>Other Income</b>	TML Benefit Trust	576	480
<b>Dividend Paid</b>	Mahindra & Mahindra Limited	1,537	1,214
	Mahindra-BT Investment Company (Mauritius) Limited	1	1
	Mahindra Holdings Limited	1	-
	TML Benefit Trust	576	480

<b>Nature of Transaction</b>	<b>Particulars</b>	<b>For the year ended</b>	
		<b>March 31, 2016</b>	<b>March 31, 2015</b>
	Satyam Associates Trust	<b>5</b>	-
	Mahindra Engineering Services ESOP Trust	<b>0</b>	-
	Vineet Nayyar	<b>11</b>	14
	C. P. Gurnani	<b>12</b>	13
	Milind Kulkarni	<b>0</b>	0
	G. Jayaraman	<b>-</b>	0
<b>Dividend Income</b>	Tech Mahindra (Bahrain) Limited S.P.C	<b>85</b>	-
	Tech Mahindra Business Services Limited	<b>2,150</b>	-
	Citisoft Plc.	<b>170</b>	-
	Tech Mahindra (Malaysia) SDN. BHD.	<b>47</b>	-
	Tech Mahindra (Americas) Inc	<b>3,135</b>	-
	PT Tech Mahindra Indonesia	<b>-</b>	153
<b>Purchase of Fixed Assets</b>	Mahindra & Mahindra Limited	<b>6</b>	67
	Tech Mahindra Business Services Limited	<b>1</b>	-
<b>Loan Given</b>	Tech Mahindra Servicos De Informatica LTDA	<b>302</b>	-
	Sofgen Holdings Limited	<b>32</b>	-
	Nth Dimension Ltd	<b>99</b>	-
	Mahindra Engineering Services (Europe) Limited	<b>330</b>	-
	FixStream Networks Inc.	<b>225</b>	-
	Tech Mahindra Business Services Limited	<b>900</b>	-
<b>Loans received back</b>	Tech Mahindra BPO Limited [now merged with Company]	<b>-</b>	950
	Tech Mahindra (Nigeria) Limited	<b>-</b>	60
	Satyam Associates Trust	<b>7</b>	10
	Sofgen Holdings Limited	<b>33</b>	-
<b>Advances Given</b>	Tech Mahindra Servicos De Informatica LTDA	<b>-</b>	80
	Tech Mahindra GmbH	<b>-</b>	667
	Mahindra Educational Institutions	<b>-</b>	0
	PT Tech Mahindra Indonesia	<b>-</b>	19
	vCustomer Philippines (Cebu), Inc	<b>-</b>	25
	vCustomer Philippines, Inc.	<b>-</b>	19
<b>Advances received back</b>	Tech Mahindra GmbH	<b>-</b>	667
	Tech Mahindra Servicos De Informatica LTDA	<b>-</b>	13
	PT Tech Mahindra Indonesia	<b>-</b>	19
	vCustomer Philippines (Cebu), Inc	<b>-</b>	25
	vCustomer Philippines, Inc.	<b>-</b>	19
<b>Assets Transferred</b>	Tech Mahindra GmbH	<b>-</b>	852
	Tech Mahindra DRC SARLU	<b>226</b>	-
<b>Liabilities transferred</b>	Tech Mahindra GmbH	<b>-</b>	107
	Tech Mahindra DRC SARLU	<b>7</b>	-
<b>Investments made</b>	Tech Mahindra Servicos De Informatica LTDA	<b>379</b>	190
	Tech Mahindra DRC SARLU	<b>6</b>	-
	Nth Dimension Ltd	<b>0</b>	-
	Tech Mahindra De Mexico S.DE R.L.DE C.V	<b>24</b>	31

<b>Nature of Transaction</b>	<b>Particulars</b>	<b>For the year ended</b>	
		<b>March 31, 2016</b>	<b>March 31, 2015</b>
	Tech Mahindra ICT (Malaysia) SDN. BHD.	<b>159</b>	-
	IQS Information Solutions WLL	<b>1</b>	-
	Tech Mahindra Arabia Limited	<b>9</b>	-
	Tech Mahindra GmbH	-	2
	Tech Mahindra Netherlands B.V.	<b>3</b>	-
	Tech Mahindra (Americas) Inc.	-	10,696
	Tech Mahindra Growth Factories Limited	<b>98</b>	-
	Tech Mahindra France SAS	<b>7</b>	-
	Tech Mahindra Sweden AB	<b>0</b>	-
<b>Acquisition of Company</b>	Tech Mahindra (Americas) Inc.	-	6
<b>Trade Payables</b>	Mahindra & Mahindra Limited	<b>24</b>	85
	Tech Mahindra (Americas) Inc.	<b>7,413</b>	7,046
	Tech Mahindra GmbH	<b>2,713</b>	885
	Tech Mahindra (Singapore) Pte. Limited	<b>40</b>	35
	Tech Mahindra (Thailand) Limited	<b>0</b>	6
	PT Tech Mahindra Indonesia	<b>112</b>	0
	Tech Mahindra (Malaysia) SDN. BHD.	<b>6</b>	14
	Tech Mahindra (Beijing) IT Services Limited	<b>20</b>	11
	Tech Mahindra (Bahrain) Limited S.P.C	<b>4</b>	8
	Tech Mahindra (Nigeria) Limited	<b>13</b>	12
	Comviva Technologies FZ-LLC	<b>2</b>	4
	Tech Mahindra BPO Limited [now merged with Company]	-	179
	Tech Mahindra (Shanghai) Co. Limited	<b>19</b>	20
	New vC Services Private Limited [now merged with Company]	-	48
	vCustomer Philippines, Inc.	<b>56</b>	115
	vCustomer Philippines (Cebu), Inc.	<b>88</b>	68
	Tech Talenta Inc.	<b>7</b>	2
	Tech Mahindra Technologies Inc.	<b>33</b>	21
	Citisoft Plc.	<b>13</b>	16
	Satyam Venture Engineering Services Private Limited	<b>18</b>	1
	Tech Mahindra (Nanjing) Co. Limited	<b>4</b>	6
	Satyam Computer Services (Egypt) S.A.E	<b>1</b>	1
	Tech Mahindra Servicos De Informatica LTDA	<b>30</b>	9
	Satyam (Europe) Limited	<b>224</b>	224
	Comviva Technologies Limited	<b>71</b>	101
	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	<b>81</b>	67
	LCC Services Belgium N.V	<b>48</b>	36
	TechM IT Services GmbH	<b>6</b>	5
	Tech Mahindra Business Services Limited	<b>51</b>	-
	LCC Design Services Inc.	<b>1</b>	-

<b>Nature of Transaction</b>	<b>Particulars</b>	<b>For the year ended</b>	
		<b>March 31, 2016</b>	<b>March 31, 2015</b>
<b>Sofgen (UK) Limited</b>	Sofgen (UK) Limited	<b>32</b>	-
	Tech Mahindra De Mexico S.D.E.R.L.D.E.C.V.	<b>18</b>	-
	Sofgen Services Limited	<b>1</b>	-
	LCC Wireless Communication Services Espana SA	<b>2</b>	-
	Sofgen Services Pte. Ltd.	<b>2</b>	-
	Sofgen SA	<b>1</b>	-
	Sofgen India Private Limited	<b>2</b>	-
	LCC Middle East FZ-LLC	<b>8</b>	-
	LCC Deployment Services UK, Ltd	<b>4</b>	-
	FixStream Networks Inc.	<b>3</b>	-
	Mahindra Engineering Services (Europe) Limited	<b>2</b>	-
	Tech Mahindra Growth Factories Limited	<b>5</b>	-
<b>Loans Receivable (Long term)</b>	Tech Mahindra BPO Limited [now merged with Company]	-	370
	Tech Mahindra South Africa (Pty) Limited	<b>33</b>	31
	Satyam Associates Trust *	<b>11</b>	18
	Tech Mahindra Servicos De Informatica LTDA	<b>274</b>	-
<b>Loans Receivable (Short term)</b>	Tech Mahindra BPO Limited [now merged with Company]	-	300
	Tech Mahindra (Nigeria) Limited	<b>66</b>	63
	Nth Dimension Ltd	<b>96</b>	-
	Mahindra Engineering Services (Europe) Limited	<b>331</b>	-
	FixStream Networks Inc.	<b>219</b>	-
	Tech Mahindra Business Services Limited	<b>900</b>	-
<b>Share Application Money pending allotment</b>	Satyam Computer Services (Egypt) S.A.E	<b>32</b>	32
	Satyam (Europe) Limited @	<b>34</b>	34
<b>Trade Receivables (Current)</b>	Mahindra & Mahindra Limited	<b>506</b>	377
	Tech Mahindra (Americas) Inc.	<b>4,654</b>	1,410
	Tech Talenta Inc.	-	6
	Tech Mahindra GmbH	<b>2,657</b>	749
	Tech Mahindra (Singapore) Pte. Limited	<b>332</b>	204
	Tech Mahindra (Thailand) Limited	<b>15</b>	17
	PT Tech Mahindra Indonesia	-	100
	Tech Mahindra (Malaysia) SDN. BHD.	<b>7</b>	73
	Tech Mahindra (Beijing) IT Services Limited	<b>6</b>	5
	Tech Mahindra (Bahrain) Limited S.P.C	<b>1</b>	0
	Tech Mahindra (Nigeria) Limited	<b>602</b>	474
	Tech Mahindra BPO Limited [now merged with Company]	-	88
	Tech Mahindra (Shanghai) Co. Limited	<b>156</b>	83
	Comviva Technologies Limited	<b>8</b>	8
	Tech Mahindra Servicos De Informatica LTDA	<b>248</b>	185

<b>Nature of Transaction</b>	<b>Particulars</b>	<b>For the year ended</b>	
		<b>March 31, 2016</b>	<b>March 31, 2015</b>
	Satyam Computer Services (Egypt) S.A.E	<b>24</b>	24
	Satyam Colombia Servicos DE Informatica SAS	-	2
	Tech Mahindra South Africa Pty Ltd.	<b>(0)</b>	2
	Tech Mahindra IPR Inc	<b>225</b>	149
	Mahindra Technologies Services Inc.	<b>1</b>	2
	Mahindra Engineering Services (Europe) Limited	<b>124</b>	10
	Mahindra Engineering GmbH	-	4
	LCC North Central Europe, B.V.	<b>2</b>	-
	Tech Mahindra (Nanjing) Co. Limited	<b>3</b>	6
	Citisoft Plc.	-	0
	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	<b>15</b>	4
	Sofgen Africa Limited	<b>2</b>	-
	Tech Mahindra DRC SARLU	<b>22</b>	-
	Leadcom Integrated Solutions (L.I.S.) Ltd	<b>537</b>	-
	FixStream Networks Inc.	<b>11</b>	-
	Sofgen Services Pte. Ltd.	<b>7</b>	-
	Nth Dimension Ltd	<b>13</b>	-
<b>Trade Receivables (Non- Current)</b>	Tech Mahindra BPO Limited [now merged with Company]	-	0
	Satyam Computer Services (Egypt) S.A.E	<b>21</b>	21
	Satyam (Europe) Limited®	<b>114</b>	114
<b>Contractual Reimbursable expenses Receivable</b>	Mahindra & Mahindra Limited	<b>30</b>	0
	Tech Mahindra BPO Limited [now merged with Company]	-	21
	Comviva Technologies Limited	<b>0</b>	10
	Tech Talenta Inc.	<b>1</b>	4
<b>Rent Receivable</b>	Mahindra Educational Institutions	<b>22</b>	-
<b>Unbilled Revenue Receivable</b>	Mahindra & Mahindra Limited	<b>141</b>	5
	Tech Mahindra GmbH	<b>233</b>	239
	Tech Mahindra (Shanghai) Co. Limited	<b>95</b>	54
	Tech Mahindra Servicos De Informatica LTDA	<b>2</b>	9
	Mahindra Engineering Services (Europe) Limited	-	16
	Tech Mahindra South Africa (Pty) Limited	<b>115</b>	-
	Mahindra Engineering GmbH	-	1
	Mahindra Technologies Services Inc.	-	0
	Tech Mahindra (Bahrain) Limited S.P.C	<b>1</b>	-
	Tech Mahindra (Americas) Inc.	<b>2</b>	-
	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	<b>3</b>	-
	FixStream Networks Inc.	<b>0</b>	-
	Nth Dimension Ltd	<b>22</b>	-
	Sofgen Services Pte. Ltd.	<b>0</b>	-
	Sofgen Americas Inc	<b>10</b>	-

<b>Nature of Transaction</b>	<b>Particulars</b>	<b>For the year ended</b>	
		<b>March 31, 2016</b>	<b>March 31, 2015</b>
<b>Unearned Revenue</b>	Mahindra & Mahindra Limited	(8)	7
<b>Advances Receivable (Short term)</b>	Tech Mahindra (Americas) Inc.	708	640
	Tech Mahindra GmbH	43	137
	Tech Mahindra (Singapore) Pte. Limited	18	10
	Tech Mahindra (Thailand) Ltd.	1	0
	PT Tech Mahindra Indonesia	11	8
	Tech Mahindra (Malaysia) SDN. BHD.	1	1
	Tech Mahindra (Bahrain) Limited S.P.C	2	2
	Tech Mahindra (Nigeria) Limited	14	-
	Tech Mahindra (Beijing) IT Services Limited	0	0
	Tech Mahindra BPO Limited [now merged with Company]	-	93
	Satyam Venture Engineering Services Private Limited	2	2
	New vC Services Private Limited [now merged with Company]	-	8
	Tech Mahindra (Shanghai) Co. Limited	13	5
	Tech Mahindra Business Services Limited	90	59
	Citisoft Plc.	4	4
	Mahindra & Mahindra Limited	1	16
	Mahindra Technologies Services Inc.	-	3
	Tech Talenta Inc.	(2)	4
	TechM IT Services GmbH	6	6
	Tech Mahindra DRC SARLU	226	-
	Leadcom Integrated Solutions (L.I.S.) Ltd	6	-
	Comviva Technologies Limited	5	-
	Lightbridge Communications Corporation	35	-
	Tech Mahindra South Africa (Pty) Ltd.	-	9
	Sofgen SA	1	-
	Sofgen Services Limited	2	-
	Sofgen (UK) Limited	3	-
	Sofgen SaveTax S.A	0	-
	Sofgen Consulting AG	0	-
	Sofgen Ireland Limited	1	-
	LCC Middle East FZ-LLC	4	-
	Sofgen India Private Limited	0	-
	Tech Mahindra Growth Factories Limited	0	-
<b>Advances Receivable (Long term)</b>	Satyam Computer Services (Egypt) S.A.E	28	28
	Satyam Europe Ltd @	269	269
	Vision Compass Inc @	346	346
	Tech Mahindra (Nigeria) Limited	172	79
	Tech Mahindra Servicos De Informatica LTDA	52	55
	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	(10)	56
	Tech Mahindra South Africa (Pty) Ltd.	8	-

<b>Nature of Transaction</b>	<b>Particulars</b>	<b>For the year ended</b>	
		<b>March 31, 2016</b>	<b>March 31, 2015</b>
<b>Interest Receivable</b>	Tech Mahindra South Africa (Pty) Limited	<b>1</b>	1
	Tech Mahindra Servicos De Informatica LTDA	<b>5</b>	-
	Mahindra Engineering Services (Europe) Limited	<b>2</b>	-
	Nth Dimension Ltd	<b>1</b>	-
	FixStream Networks Inc.	<b>0</b>	-
	Tech Mahindra Business Services Limited	<b>2</b>	-
<b>Payable to Key Management personnel (Trade Payables)</b>	Mr. Vineet Nayyar	<b>4</b>	11
	Mr. C. P. Gurnani	<b>8</b>	8
	Milind Kulkarni	<b>3</b>	2
	G. Jayaraman	<b>0</b>	1
	Gokul Jayaraman	<b>0</b>	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, 2016: ₹ 11 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

<b>Particulars</b>	<b>Vineet Nayyar* Vice Chairman</b>	<b>C.P. Gurnani Managing Director</b>	<b>Milind Kulkarni Chief Financial Officer</b>	<b>G Jayaraman Company Secretary</b>
Options exercised during the year ended March 31, 2016	<b>3,200,000</b> [692,567]	<b>800,000</b> [781,926]	<b>NIL</b> [6,667]	<b>NIL</b> [7,135]
Options granted during the year ended March 31, 2016	<b>NIL</b> [NIL]	<b>NIL</b> [NIL]	<b>##48,000</b> [NIL]	<b>NIL</b> [NIL]
Options outstanding as at March 31, 2016	<b>3,600,000</b> [6,800,000]	<b>6,000,000</b> [6,800,000]	<b>48,000</b> [NIL]	<b>14,708</b> [14,708]

Figures in brackets "[ ]" are for the year ended March 31, 2015.

## ESOP cost pertaining to options granted during current year ended March 31, 2016 is ₹ 12 Million.

\* Executive Vice Chairman till August 9, 2015.

## 51 Additional Disclosures

**51.1** Disclosure pursuant to Clause 34(3) of Securities and Exchange Board of India (Listing Obligation and Disclosure requirements) Regulation, 2015.

Particulars	Amount outstanding as at March 31, 2016	₹ in Million Maximum amount outstanding during the year
To subsidiaries	Refer table below	-
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 below	
Interest rates below as specified under section 186 of the Act	-	-

Particulars of amount of loans and advances in nature of loans outstanding from subsidiaries as at March 31, 2016:

Name of the Company	Relationship	Balance as at March 31, 2016	₹ in Million Maximum amount outstanding during the year
Tech Mahindra (Nigeria) Limited	Subsidiary	66 [62]	66 [90]
Tech Mahindra South Africa (Pty) Limited	Subsidiary	33 [31]	33 [31]
Tech Mahindra Servicos De Informatica LTDA	Subsidiary	274 [Nil]	274 [Nil]
Tech Mahindra Business Services Limited	Subsidiary	900 [Nil]	900 [Nil]
Nth Dimension Ltd	Subsidiary	96 [Nil]	96 [Nil]
Mahindra Engineering Services (Europe) Limited	Subsidiary	331 [Nil]	331 [Nil]
FixStream Networks Inc.	Subsidiary	219 [Nil]	219 [Nil]
Satyam Associate Trust @	Enterprise where the Company is in a position to exercise control	11 [18]	18 [28]
Tech Mahindra BPO Limited	Subsidiary	- [670]	670 [1,620]

Figures in brackets "[ ]" are for the year ended March 31, 2015.

@ 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, 2016: ₹ 11 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 is liquidated w.e.f June 25, 2015.
- \* 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, 2016 where there is no repayment schedule / repayment beyond seven years.

**51.2** Particulars of loans given/investments made/guarantees given, as required by clause (4) of Section 186 of the Companies Act, 2013:

₹ in Million					
<b>Name</b>	<b>Nature</b>	<b>Amount of loan outstanding as at 31.03.2016</b>	<b>Period</b>	<b>Rate of interest</b>	<b>Purpose for which the loan/security/guarantee is utilized</b>
Tech Mahindra (Nigeria) Limited	Loan	66 (63)	1 – 12 months (1 – 12 months)	1 - 3% (1-3%)	Working capital requirement (Working capital requirement)
Tech Mahindra South Africa (Pty) Ltd.		33 (31)	1 – 24 months (1 – 36 months)	1 - 3% (1-3%)	Working capital requirement (Working capital requirement)
Tech Mahindra Servicos De Informatica LTDA		274 (Nil)	1 – 24 months (Nil)	1 - 3% (Nil)	Working capital requirement (Nil)
Nth Dimension Limited		96 (Nil)	1 – 24 months (Nil)	1 - 3% (Nil)	Working capital requirement (Nil)
Mahindra Engineering Services (Europe) Limited		331 (Nil)	1 – 12 months (Nil)	1 - 3% (Nil)	Working capital requirement (Nil)
FixStream Networks Inc.		219 (Nil)	1 – 12 months (Nil)	1 - 3% (Nil)	Working capital requirement (Nil)
Tech Mahindra Business Services Limited		900 (Nil)	1 – 12 months (Nil)	1 - 8% (Nil)	Working capital requirement (Nil)
Satyam Associates Trust		11 (18)	1 – 24 months (1 – 24 months)	- (-)	Working capital requirement (Working capital requirement)
For details of investments made, refer Note 11					
Lightbridge Communications Corporation (LCC)	Guarantee	₹ 6,626 Million i.e. USD 100 Million (₹ 5,687 Million (USD 91 Million))	Loan availed by LCC is repayable on demand (Loan availed by LCC is repayable of demand)	-	Working capital requirement (Working capital requirement)
Comviva Technologies B.V.	Letter of Comfort	₹ 1,656 Million i.e. USD 25 Million (Nil)	Credit facility availed by Comviva Technologies B.V. (Nil)	-	Working capital requirement (Nil)
Sofgen Holdings Limited	Letter of Comfort	₹ 663 Million i.e. USD 10 Million (Nil)	Credit facility availed by Sofgen Holdings Limited (Nil)	-	Working capital requirement (Nil)

Figures in brackets "()" are for the previous year ended March 31, 2015.

## **52 Employee Stock Option Scheme**

### **i. ESOP 2000 & ESOP 2010:**

The Company has instituted 'Employee Stock Option Plan 2000' (ESOP 2000) and 'Employee Stock Option Plan 2010' (ESOP 2010) for eligible employees and Directors of the Company and its subsidiaries. The vesting pattern of the schemes has been provided below. 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 for ESOP 2000 and exercise price as determined by the Nomination and remuneration Committee for ESOP 2010.

### **ii. ESOP 2006 & ESOP 2014:**

The Company has instituted 'Employee Stock Option Plan 2006' (ESOP 2006) and 'Employee Stock Option Plan 2014' (ESOP 2014) 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 maximum exercise period is 7 years from the date of grant for ESOP 2006 and options can be exercised over a period of 5 years from the date of vesting for ESOP 2014.

The vesting period of the above mentioned 4 ESOP Schemes, namely ESOP 2000, ESOP 2006, ESOP 2010 and ESOP 2014 are as follows:

<b>vesting percentage of options</b>			
<b>Service period from date of grant</b>	<b>ESOP 2000 and ESOP 2010</b>	<b>ESOP 2006</b>	<b>ESOP 2014</b>
12 months	33.33%	10%	15%
24 months	33.33%	15%	20%
36 months	33.33%	20%	30%
48 months	-	25%	35%
60 months	-	30%	-

### **iii. 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 to 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'.

### **iv. 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 to 4 years from the date of the grant. The maximum time available to exercise the options upon vesting is five years from the date of each vesting. Post-merger, the name of the ESOP scheme has been changed to TML RSU.

### **v. 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 180 days from the date of each vesting.

**vi. Employee Stock Option Scheme – ESOS:**

Erstwhile MESL has established Employee Stock Option Scheme (ESOS) - ESOS for which 1,400,000 equity shares respectively were earmarked. 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 outstanding under ESOS which are converted into equivalent 30,144 options of the Company giving effect to approved share exchange ratio, split and bonus.

The Company has framed various share-based payment schemes for its employees and directors of the Company and its subsidiaries. The details of various share-based employee stock option plan (ESOP) schemes adopted are as follows:

<b>ESOP Scheme</b>	<b>Number of options granted during the year ended March 31, 2016</b>	<b>Grant date</b>	<b>Weighted average fair value</b>
ESOP 2000	<b>Nil</b>	Nil	Nil
ESOP 2006	<b>Nil</b>	Nil	Nil
ESOP 2010	<b>Nil</b>	Nil	Nil
TML ESOP B-2013	<b>Nil</b>	Nil	Nil
TML RSU	<b>Nil</b>	Nil	Nil
ESOP A	<b>Nil</b>	Nil	Nil
ESOP 2014	<b>2,157,000</b>	May 26, 2015	616.77
	<b>36,000</b>	May 26, 2015	303.18
	<b>223,500</b>	June 25, 2015	518.17
	<b>10,000</b>	July 27, 2015	485.39
	<b>90,000</b>	November 03, 2015	528.39
	<b>3,653,300</b>	February 01, 2016	227.33
	<b>80,000</b>	February 01, 2016	476.12
ESOS	<b>Nil</b>	Nil	Nil

**vii. Details of activity of the ESOP schemes**

Movement for year ended March 31, 2016 and year ended March 31, 2015:

<b>ESOP Scheme</b>	<b>Particulars</b>	<b>Year ended</b>	<b>Outstanding at the beginning of the year</b>	<b>Granted during the year</b>	<b>Forfeited during the year</b>	<b>Lapsed during the year</b>	<b>Exercised during the year</b>	<b>Outstanding at the end of the year</b>	<b>Adjusted #</b>	<b>Exercisable at the end of the year</b>
ESOP 2000	Number of options	March 31, 2016	1,528,600	-	-	-	212,097	1,316,503	-	1,049,831
	Weighted average exercise price	March 31, 2016	86.00	-	-	-	174.89	71.68	-	88.62
	Number of options	March 31, 2015	484,830	-	1,160	-	101,520	382,150	1,528,600	995,264
	Weighted average exercise price	March 31, 2015	414.70	-	159.00	-	174.63	86.00	-	129.41
ESOP 2006	Number of options	March 31, 2016	2,670,760	-	145,900	26,000	465,335	2,033,525	-	1,064,925
	Weighted average exercise price	March 31, 2016	179.23		190.65	167.00	166.94	181.38		171.56
	Number of options	March 31, 2015	890,780	-	64,150	-	158,940	667,690	2,670,760	827,660
	Weighted average exercise price	March 31, 2015	700.04	-	712.40	-	185.25	179.23	-	166.51
ESOP 2010	Number of options	March 31, 2016	7,248,714	-	-	-	4,484,126	2,764,588	-	2,760,148
	Weighted average exercise price	March 31, 2016	5.00	-	-	-	5.00	5.00	-	5.00
	Number of options	March 31, 2015	1,981,083	-	11,002	-	157,902	1,812,179	7,248,714	7,239,794
	Weighted average exercise price	March 31, 2015	10.00	-	10.00	-	5.00	5.00	-	5.00
TML ESOP B-2013	Number of options	March 31, 2016	10,105,632	-	224,676	41,806	1,031,295	8,807,855	-	6,040,535
	Weighted average exercise price	March 31, 2016	92.76		341.69	233.01	202.91	72.85	-	68.90
	Number of options	March 31, 2015	2,951,823	76,000	86,805	5	414,605	2,526,408	10,105,632	4,626,468
	Weighted average exercise price	March 31, 2015	396.30	2,026.00	910.99	1982.80	193.23	364.70	-	113.06
TML RSU	Number of options	March 31, 2016	2,772,714	-	229,820	432	819,304	1,723,158	-	781,526
	Weighted average exercise price	March 31, 2016	5.00	-	5.00	5.00	5.00	5.00	-	5.00
	Number of options	March 31, 2015	866,256	56,000	70,080	1,125	157,872	693,179	2,772,714	770,446
	Weighted average exercise price	March 31, 2015	10.00	10.00	5.00	5.00	5.00	5.00	-	5.00
ESOP A	Number of options	March 31, 2016	662,316	-	61,320	-	95,170	505,826	-	116,806
	Weighted average exercise price	March 31, 2016	30.00	-	30.00	-	30.00	30.00	-	30.00
	Number of options	March 31, 2015	240,302	-	21,409	4,718	48,596	165,579	662,316	11,392
	Weighted average exercise price	March 31, 2015	120.00	-	120.00	30.00	30.00	120.00	-	30.00
ESOP 2014	Number of options	March 31, 2016	5,524,800	6,249,800	874,120	-	9,000	10,891,480	-	756,780
	Weighted average exercise price	March 31, 2016	594.38	252.46	480.40	-	5.00	407.81	-	602.46
	Number of options	March 31, 2015	-	1,454,900	73,700	-	-	1,381,200	5,524,800	-
	Weighted average exercise price	March 31, 2015	-	2,379.00	2,445.49	-	-	2377.05	-	-

ESOP Scheme	Particulars	Year ended	Outstanding at the beginning of the year	Granted during the year	Forfeited during the year	Lapsed during the year	Exercised during the year	Outstanding at the end of the year	Adjusted #	Exercisable at the end of the year
ESOS	Number of options	March 31, 2016	30,144	-	-	-	-	30,144	-	30,144
	Weighted average exercise price	March 31, 2016	19.53					19.53		19.53
	Number of options*	March 31, 2015	802,556	-	1,444	8	783,020	7,536@	30,144	30,144
	Weighted average exercise price	March 31, 2015		-	-	-	-	78.00	-	19.53
Total	Number of options	March 31, 2016	30,543,680	6,249,800	1,535,836	68,238	7,116,327	28,073,079	-	12,600,695
	Number of options	March 31, 2015	8,217,630	1,586,900	329,750	5,856	1,822,455	7,635,921	30,543,680	14,501,168

# Split and bonus option outstanding at the end of year

@ Option granted and outstanding at the end of the year adjusted for share exchange ratio (12:5) as per approved scheme.

\* Refer note 27.

### viii. Average Share price on date of exercise

The weighted average share price for the current year over which stock options were exercised was ₹ 551.92 (year ended March 31, 2015: ₹ 2,430.08).

Information in respect of options outstanding:

ESOP Scheme	Range of Exercise price	As at March 31, 2016		As at March 31, 2015	
		Number of Options Outstanding	Weighted average remaining life (in Years)	Number of Options Outstanding#	Weighted average remaining life (in Years)
ESOP 2000	5-150	800,000	2.81	800,000	3.81
	151-300	516,503	0.20	728,600	1.20
ESOP 2006	5-150	-	-	28,800	0.74
	151-300	2,013,525	2.61	2,621,960	3.57
	301-450	20,000	4.37	20,000	5.37
ESOP 2010	5-150	2,764,588	0.09	7,248,716	0.92
TML ESOP B-2013	5-150	6,723,028	4.72	7,002,136	5.66
	151-300	1,615,679	2.86	2,499,612	3.50
	301-450	329,148	5.33	411,884	6.25
	451-600	140,000	5.84	192,000	6.84
TML RSU	5-150	1,723,158	5.19	2,772,716	5.84
ESOP A	5-150	505,826	1.25	662,316	1.66
ESOP 2014	5-150	2,591,300	7.02	238,800	7.57
	301-450	3,653,300	7.69	-	-
	451-600	68,000	6.74	40,000	7.44
	601-750	4,578,880	6.23	5,246,000	7.30
ESOS	5-150	30,144	1.57	30,144	2.57

# Adjusted for split and bonus option outstanding at the end of year.

**ix.** 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, ESOP 2014 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, 2016 the Company has accounted for employee stock compensation cost amounting to ₹ 1,608 Million (March 31, 2015 ₹ 2,268 Million).

**x. Impact on the reported net profit and earnings per share by applying the fair value based method**

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 ₹ 413 Million (March 31, 2015: profit lower by ₹ 398 Million) and earnings per share as reported would be as indicated below:

<b>Particulars</b>	<b>₹ in Million except earnings per share</b>	
	<b>For the Year ended</b>	
	<b>March 31, 2016</b>	<b>March 31, 2015</b>
a) Profit after tax and before exceptional item (As reported)	<b>32,200</b>	21,949
b) Add: Exceptional Item – Income (refer note 37)	-	613
c) Net Profit after exceptional item	<b>32,200</b>	22,562
d) Add : Stock-based employee compensation expense determined under intrinsic value base method	<b>1,608</b>	2,268
e) Less : Stock-based employee compensation expense determined under fair value base method	<b>(2,021)</b>	(2,666)
Adjusted net profit (before exceptional item)	<b>31,787</b>	21,551
Adjusted net profit (after exceptional item)	<b>31,787</b>	22,164
Basic earnings per share (in ₹) (before exceptional item)		
As reported	<b>33.40</b>	22.94
Adjusted	<b>32.97</b>	22.52
Diluted earnings per share (in ₹) (before exceptional item)		
As reported	<b>32.71</b>	22.33
Adjusted	<b>31.29</b>	21.93
Basic earnings per share (in ₹) (after exceptional item)		
As reported	<b>33.40</b>	23.58
Adjusted	<b>32.97</b>	23.16
Diluted earnings per share (in ₹) (after exceptional item)		
As reported	<b>32.71</b>	22.96
Adjusted	<b>32.29</b>	22.55

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, 2016	March 31, 2015
Weighted average share price	<b>555.37</b>	2,397.48
Exercise price	<b>252.46</b>	2,263.19
Expected Volatility (%)	<b>30.73</b>	37.43
Expected life	<b>5.35 Years</b>	5.30 Years
Expected dividend (%)	<b>0.84</b>	0.72
Risk free interest rate (%)	<b>7.69</b>	8.58

The weighted average fair value of the stock options granted during the current year ended March 31, 2016 is ₹ 380.51 (March 31, 2015 : ₹ 1,182.29). The Black and Scholes valuation model has been used for computing the weighted average fair value.

### 53 Earnings Per Share is calculated as follows :

Particulars	₹ in Million except earnings per share	
	For the Year ended	
	March 31, 2016	March 31, 2015
Profit after taxation and before exceptional item	<b>32,200</b>	21,949
Add: Exceptional item (Refer note 37)	-	613
Profit attributable to shareholders after taxation and exceptional item	<b>32,200</b>	22,562
Equity Shares outstanding as at the end of the year (in nos.)	<b>967,810,069</b>	960,788,912
Weighted average Equity Shares outstanding as at the end of the year (in nos.)	<b>964,001,639</b>	957,023,671
Weighted average number of Equity Shares used as denominator for calculating Basic Earnings Per Share	<b>964,001,639</b>	957,023,671
<b>Add: Dilutive impact of employee stock options</b>	<b>20,434,379</b>	25,823,764
Number of Equity Shares used as denominator for calculating Diluted Earnings Per Share	<b>984,436,019</b>	982,847,435
Nominal Value per Equity Share (in ₹ )	<b>5</b>	5
Earnings Per Share		
- Before Exceptional Item		
Earnings Per Share (Basic) (in ₹ )	<b>33.40</b>	22.94
Earnings Per Share (Diluted) (in ₹ )	<b>32.71</b>	22.33
- After Exceptional Item		
Earnings Per Share (Basic) (in ₹ )	<b>33.40</b>	23.58
Earnings Per Share (Diluted) (in ₹ )	<b>32.71</b>	22.96

54 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.

55 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".

**56 Tax on Dividend**

Shareholders at the Annual General Meeting held on July 28, 2015 had approved the dividend of ₹ 6 per Equity Share which was paid during the year ended March 31, 2016. On the said dividend, Company had made a provision towards dividend distribution tax of ₹ 1,173 Million in March 2015. During the year, the Company has received dividend from its subsidiaries of ₹ 5,587 Million. As per the provisions of Section 115O of Income tax Act, 1961, the Company has calculated dividend tax after adjusting dividend received from its subsidiaries. The Company has paid dividend distribution tax of ₹ 36 Million and excess provision for dividend distribution tax of ₹ 1,137 Million has been written back since no longer required.

**57** 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

M. Rajyalakshmi Rao

Director

V S Parthasarathy

Director

Ravindra Kulkarni

Director

Milind Kulkarni

Chief Financial Officer

Place: Mumbai, India

Dated: May 24, 2016

Vineet Nayyar

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/ 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 31<sup>st</sup> March, 2016, 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 prescribed under Section 133 of the Act, as applicable. The respective Board of Directors of the companies included in the Group and of its associates 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. 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 audit opinion on the consolidated financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, 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 31<sup>st</sup> March, 2016, 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 notes to the financial statements:

a) Note 32 in respect of certain matters relating to erstwhile Satyam Computer Services Limited (erstwhile Satyam), amalgamated with the Company with effect from April 1, 2011 which are discussed below:

During the year the Additional Chief Metropolitan Magistrate cum Special Sessions Court, Hyderabad vide common judgement on April 9, 2015 convicted the accused persons in 3 separate complaints instituted by the Central Bureau of Investigation (CBI), which also covered the matters investigated by the Serious Fraud Investigation Office (SFIO). The Company was not named as an accused in the proceedings and in the said judgment. The Management does not believe there will be any further proceedings against the Company in this respect. The Company Law Board vide its further Order dated March 1, 2016 has also struck off the name of the Company from the array of respondent in the petition filed by the Ministry of Company Affairs (MCA).

Further, as explained in note 32 to the financial statements, certain non-compliances and breaches of various laws and regulations by the erstwhile Satyam under the former Management (prior to Government nominated Board) identified by the various agencies have been responded to/appropriately addressed in earlier years and no further communication has been received by the Company on these matters and with the passage of time, the Company does not expect any further proceedings in this regard.

The Company's management on the basis of current legal status and external legal opinion, as more fully described in note 32 to the financial statements, has concluded that (i) claims made by 37 companies in the City Civil Court for alleged advances amounting to ₹ 12,304 million made by these companies to erstwhile Satyam, and presented separately under 'Suspense account (net)' and (ii) the claims to these advances filed by Enforcement Directorate under the Prevention of Money Laundering Act in the High Court of Andhra Pradesh will not sustain on ultimate resolution by the respective Courts as explained in the note.

b) Note 38 in respect of one of the subsidiary of the Company whose financial statements / financial information reflect total assets (net) of ₹ 1,811 Million as at March 31, 2016 and total revenues of ₹ 2,024 Million and net cash outflow amounting to ₹ 44 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, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 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, 2016 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 qualified in respect of these matters.

**Other Matters**

a) We did not audit the financial statements / financial information of 92 subsidiaries whose financial statements / financial information reflect total assets of ₹ 39,921 Million as at March 31, 2016, total revenues of ₹ 43,492

Million and net cash inflows amounting to ₹ 390 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 ₹ 0 Million for the year ended March 31, 2016, as considered in the consolidated financial statements, in respect of 1 associate, 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, is based solely on the reports of the other auditors.

- b) We did not audit the financial statements / financial information of 29 subsidiaries whose financial statements / financial information reflect total assets of ₹ 1,689 Million as at March 31, 2016, total revenues of ₹ 2,884 Million and net cash inflows amounting to ₹ 252 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 ₹ 26 million for the year ended March 31, 2016, as considered in the consolidated financial statements, in respect of 3 associates, 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 associates, 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 Section 143(3) of the Act, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, 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) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
  - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in Annexure A, which is based on the auditors' reports of the Holding company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's and subsidiary companies incorporated in India internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 31, 32, 37 and 38 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.
- 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)

Place: Mumbai, India  
Date: 24th May, 2016

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

## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

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

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act**

In conjunction with our audit of the consolidated financial statements of Tech Mahindra Limited (hereinafter referred to as the Holding Company/the Company) as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 7 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

Place: Mumbai, India  
Date: 24th May, 2016

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

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

			₹ in Million
		March 31, 2016	March 31, 2015
<b>I</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Shareholders' Funds</b>		
	(a) Share Capital	3	4,839
	(b) Reserves and Surplus	4	<u>138,824</u>
			4,804
			<u>117,682</u>
			122,486
<b>2</b>	<b>Share Application Money Pending Allotment</b>	40	14
<b>3</b>	<b>Minority Interest</b>		2,020
<b>4</b>	<b>Non-Current Liabilities</b>		1,601
	(a) Long-Term Borrowings	5	1,967
	(b) Other Long-Term Liabilities	6	231
	(c) Long-Term Provisions	7	<u>5,311</u>
			460
			440
			4,101
			<u>5,001</u>
<b>5</b>	<b>Current Liabilities</b>		7,509
	(a) Short-Term Borrowings	8	8,055
	(b) Trade Payables (Includes dues to micro and small enterprises ₹ Nil (March 31, 2015 ₹ Nil))	9	<u>22,755</u>
	(c) Other Current Liabilities	10	14,657
	(d) Short-Term Provisions	11	<u>24,093</u>
			6,286
			20,587
<b>6</b>	<b>Suspense Account (Net)</b>	32	69,560
			<u>12,304</u>
			12,304
			<u>235,070</u>
			198,481
<b>II</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-Current Assets</b>		
	(a) Fixed Assets	12	25,178
	(i) Tangible Assets		911
	(ii) Intangible Assets		6,294
	(iii) Capital Work-in-Progress		22,044
			1,002
			5,677
	(b) Goodwill on Consolidation		32,383
	(c) Non-Current Investments	13	17,357
	(d) Deferred Tax Asset	49	13,244
	(e) Long-Term Loans and Advances	14	5,575
	(f) Other Non-Current Assets	15	16,766
			294
			306
			75,955
<b>2</b>	<b>Current Assets</b>		
	(a) Current Investments	16	11,690
	(b) Inventory	17	414
	(c) Trade Receivables	18	57,705
	(d) Cash and Bank Balances	19	40,138
	(e) Short-Term Loans and Advances	20	17,084
	(f) Other Current Assets	21	<u>22,420</u>
			8,041
			245
			52,059
			24,049
			18,728
			19,404
			122,526
			<u>198,481</u>
	See accompanying notes forming part of the financial statements	1 to 63	

In terms of our report attached

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

A. B. Jani	Anand G. Mahindra Chairman
Partner	Anupam Puri Director
	V S Parthasarathy Director
	Ulhas N. Yargop Director
	Milind Kulkarni Chief Financial Officer

**For Tech Mahindra Limited**

Vineet Nayyar Vice Chairman
M. Damodaran Director
Ravindra Kulkarni Director
G. Jayaraman Company Secretary

C. P. Gurnani Managing Director & CEO
M. Rajyalakshmi Rao Director
T. N. Manoharan Director

**STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

		₹ in Million except Earnings per share		
		Note	Year ended March 31, 2016	Year ended March 31, 2015
<b>I</b> Revenue from Operations			<b>264,942</b>	226,213
<b>II</b> Other Income (net)		22	<b>5,566</b>	1,065
<b>III Total Revenue (I + II)</b>			<b>270,508</b>	227,278
<b>IV Expenses:</b>				
Employee Benefits Expense		23	<b>139,083</b>	119,137
Subcontracting Expenses			<b>35,727</b>	28,343
Finance Costs		24	<b>961</b>	691
Depreciation and Amortisation Expense		25	<b>7,620</b>	6,114
Other Expenses		26	<b>46,948</b>	36,812
<b>Total Expenses</b>			<b>230,339</b>	191,097
<b>V Profit before Tax, Minority Interest and Share in Profit/ (Loss) of Associates (III - IV)</b>			<b>40,169</b>	36,181
<b>VI Tax Expense:</b>				
(a) Current Tax		51	<b>10,224</b>	9,463
(b) MAT Charge / (Credit)			-	102
(c) Deferred Tax		49	<b>(1,622)</b>	30
<b>VII Profit after Tax before Minority Interest and Share in Profit/ (Loss) of Associates (V-VI)</b>			<b>31,567</b>	26,586
<b>VIII Minority Interest</b>			<b>(413)</b>	(310)
<b>IX Share in Profit/(Loss) of Associates</b>			<b>26</b>	1
<b>X Net Profit for the Year (VII+VIII+IX)</b>			<b>31,180</b>	26,277
<b>Earnings Per Equity Share (Face Value ₹ 5) in ₹</b>		57		
(a) Basic			<b>32.34</b>	27.46
(b) Diluted			<b>31.67</b>	26.74
See accompanying notes forming part of the financial statements		1 to 63		

In terms of our report attached

**For Tech Mahindra Limited**

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

A. B. Jani Partner	Anand G. Mahindra Chairman	Vineet Nayyar Vice Chairman	C. P. Gurnani Managing Director & CEO
	Anupam Puri Director	M. Damodaran Director	M. Rajyalakshmi Rao Director
	V S Parthasarathy Director	Ravindra Kulkarni Director	T. N. Manoharan Director
	Ulhas N. Yargop Director		
	Milind Kulkarni Chief Financial Officer	G. Jayaraman Company Secretary	

Mumbai, India, May 24, 2016 Mumbai, India, May 24, 2016

## CONSOLIDATED CASH FLOW FOR THE YEAR ENDED MARCH 31, 2016

Particulars	₹ in Million	
	Year ended March 31, 2016	Year ended March 31, 2015
<b>A Cash Flow from Operating Activities</b>		
Profit before Tax	40,169	36,181
Adjustments for :		
Depreciation and Amortisation Expense	7,620	6,114
Amortisation of Deferred Revenue	-	(1)
Provision for Doubtful Receivables, Unbilled Revenue and other Advances, Bad debts, Deposits and Loans and Advances written off (net)	1,497	800
Sundry Balances Written back	(319)	-
Customer Claims and Warranties (net)	284	94
(Profit) / Loss on Sale of Fixed Assets (net)	(109)	9
Finance Costs	961	691
Unrealised Exchange (Gain) / Loss (net)	286	(489)
Employee Stock Compensation Cost	1,608	2,268
Reversal of Provision for non-current investments no longer required (refer note 22)	(243)	-
Interest Income	(944)	(1,611)
Rent income	(4)	-
Dividend Income on Current Investments	(848)	(354)
	9,789	7,521
Operating Profit before working capital changes	49,958	43,702
Trade Receivables and Other Assets	(8,578)	(8,524)
Trade Payables, Other Liabilities and Provisions	3,786	26
	(4,792)	(8,498)
Cash Generated from Operations	45,166	35,204
Income Tax Refund / (Paid) (net)	(13,034)	(10,725)
<b>Net Cash Flow from / (used in) Operating Activities (A)</b>	<b>32,132</b>	<b>24,479</b>
<b>B Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(9,192)	(11,231)
Proceeds from Sale of Fixed Assets	476	99
Purchase of Current Investments	(100,931)	(68,197)
Sale of Current Investments	98,156	63,726
Purchase of Treasury Bonds	(6)	-
Sale of Treasury Bonds	9	-
Acquisition of Company (refer note 31.2 (viii))	(70)	(12,685)
Additional Investment in Subsidiaries (refer note 31.2 (iii) and 31.2 (v))	(179)	(1,075)
Purchase Price Adjustment (refer note 28.A.(xiii))	395	-
Investment in Associate	(1)	-
Additions in Investment Property (refer note 47 (vi))	(73)	(265)
Fixed Deposit / Margin Money Realised	95,558	28,772
Fixed Deposit / Margin Money Placed	(99,761)	(22,234)
Interest Received	951	2,168
<b>Net Cash Flow from / (used in) Investing Activities (B)</b>	<b>(14,668)</b>	<b>(20,922)</b>
<b>C Cash Flow from Financing Activities</b>		
Proceeds from Issue of Equity Shares (Including Share Application Money)	362	582
Repayment of Loan by Related Party	6	10
Dividend (Including Tax on Dividend) paid	(6,245)	(5,496)
Proceeds from Long-Term Borrowings	427	21
Repayment of Long-Term Borrowings	(654)	(5,765)
Proceeds from Short-Term Borrowings	2,526	8,024
Repayment of Short-Term Borrowings	(1,150)	(4,635)
Finance Costs	(925)	(1,031)
<b>Net Cash Flow from / (used in) Financing Activities (C)</b>	<b>(5,653)</b>	<b>(8,290)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>11,811</b>	<b>(4,733)</b>

**CONSOLIDATED CASH FLOW FOR THE YEAR ENDED MARCH 31, 2016**

<b>Particulars</b>	<b>₹ in Million</b>	
	<b>Year ended March 31, 2016</b>	<b>Year ended March 31, 2015</b>
<b>Cash and Cash Equivalents at the beginning of the Increase in Cash and Cash Equivalents on Amalgamation (refer note 34)</b>	<b>12,056</b>	14,519 821
<b>Increase in Cash and Cash Equivalents on Acquisition (refer note 35)</b>	<b>66</b>	1,449
<b>Cash and Cash Equivalents (refer note (ii)) at the end of the</b>	<b>23,933</b>	<b>12,056</b>

**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) **Particulars**

	<b>₹ in Million</b>
Cash and Cash Equivalents *	March 31, 2016 23,973
Unrealised Loss/(Gain) on Foreign Currency Balances	(40)
<b>Total</b>	<b>23,933</b>

\* Cash and Cash Equivalents Comprises of

(a) Cash on Hand	11	10
(b) Funds in Transit	1,583	382

**Balances with Banks :**

(a) In Current Accounts	13,549	9,571
(b) In Deposit Accounts	8,830	2,119
	<b>23,973</b>	<b>12,082</b>

**Reconciliation of Cash and Cash Equivalents with the Balance Sheet**

Cash and Bank Balances (refer note 19)	40,138	24,049
<b>Less:</b>		
In Deposit Accounts	15,678	6,584
Unclaimed Dividend	43	38
Balances held as Margin Money/Security towards obtaining Bank Guarantees	416	5,331
Balance held under Escrow Account	28	14
<b>Total Cash and Cash Equivalents</b>	<b>23,973</b>	<b>12,082</b>

iii) Cash and Cash Equivalents include Equity Share Application Money of ₹ **14 Million** (March 31, 2015 ₹ 3 Million).  
 iv) See accompanying notes forming part of the financial statements

In terms of our report attached

**For Tech Mahindra Limited**

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

A. B. Jani Partner	Anand G. Mahindra Chairman	Vineet Nayyar Vice Chairman	C. P. Gurnani Managing Director & CEO
	Anupam Puri Director	M. Damodaran Director	M. Rajyalakshmi Rao Director
	V S Parthasarathy Director	Ravindra Kulkarni Director	T. N. Manoharan Director
	Ulhas N. Yargop Director	G. Jayaraman Company Secretary	
	Milind Kulkarni Chief Financial Officer		

Mumbai, India, May 24, 2016 Mumbai, India, May 24, 2016

## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2016

### 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 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. 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 3 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.

**(iii) Sale and Lease back transaction :**

In case of a sale and leaseback transaction resulting in a finance lease, any excess or deficiency of sales proceeds over the carrying amount is deferred and amortised over the lease term in proportion to the depreciation of the leased asset.

Profit or Loss on Sale and Lease back arrangements resulting in finance leases are recognised, in case the transaction is established at fair value, else the excess over the fair value is deferred and amortised over the period for which the asset is expected to be used.

**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<sup>st</sup> 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 45 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**

<b>Share Capital</b>	<b>As at March 31, 2016</b>		<b>As at March 31, 2015</b>	
	<b>Number</b>	<b>₹ in Million</b>	<b>Number</b>	<b>₹ in Million</b>
<b>- Authorised</b>				
Equity Shares of ₹ 5 each	<b>1,586,200,000</b>	<b>7,931</b>	1,268,200,000	6,341
<b>- Issued, Subscribed and Paid-up</b>				
Equity Shares of ₹ 5 each, fully paid-up	<b>967,810,069</b>	<b>4,839</b>	960,788,912	4,804
	<b>967,810,069</b>	<b>4,839</b>	<b>960,788,912</b>	<b>4,804</b>

**Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period:**

<b>Particulars</b>	<b>As at March 31, 2016</b>		<b>As at March 31, 2015</b>	
	<b>Number</b>	<b>₹ in Million</b>	<b>Number</b>	<b>₹ in Million</b>
Shares outstanding at the beginning of the year	<b>960,788,912</b>	<b>4,804</b>	233,472,886	2,335
Shares issued during the year	<b>7,021,157</b>	<b>35</b>	2,572,284	24
Shares issued on account of amalgamation	-	-	4,259,011	43
Issue of bonus shares	-	-	240,161,577	2,402
Conversion on account of share split	-	-	480,323,154	-
Shares outstanding at the end of the year	<b>967,810,069</b>	<b>4,839</b>	960,788,912	4,804

**Number of shares held by each shareholder holding more than 5 percent of the Equity Shares of the Company are as follows:**

<b>Name of Shareholder</b>	<b>As at March 31, 2016</b>		<b>As at March 31, 2015</b>	
	<b>No. of Shares held</b>	<b>% of Holding</b>	<b>No. of Shares held</b>	<b>% of Holding</b>
Mahindra & Mahindra Limited	<b>256,248,704</b>	<b>26</b>	256,248,704	27
TML Benefit Trust	<b>96,000,000</b>	<b>10</b>	96,000,000	10
Euro Pacific Growth Fund	<b>61,831,716</b>	<b>6</b>	-	-

- Aggregate number of fully paid-up Equity Shares allotted by way of Bonus Shares in the immediately preceding five years : 240,161,577 Equity Shares of ₹ 10 each fully paid-up equivalent to 480,323,154 Equity Shares of ₹ 5 each fully paid-up during the year ended March 31, 2015.
- Each Equity Share entitles the holder to one vote and carries an equal right to dividend.
- The Company declares and pays dividends in Indian Rupees. The Board of Directors in their meeting held on May 24, 2016 proposed a final dividend of ₹ 12 per Equity Share for year ended March 31, 2016. The proposal is subject to the approval of the shareholders at the ensuing Annual General Meeting.
- Refer note 56 for details relating to stock options.

	₹ in Million	
	As at	
	March 31, 2016	March 31, 2015
<b>Note 4 : Reserves and Surplus</b>		
- <b>Capital Reserve on Consolidation</b>		
Opening Balance	17	17
Less : Adjustment due to Amalgamation (refer note 35)	(2)	-
Closing Balance	<u>15</u>	<u>17</u>
- <b>Capital Reserve</b>		
Opening Balance	60	-
Add: Additions on account of Amalgamation (refer note 34)	-	60
Closing Balance	<u>60</u>	<u>60</u>
- <b>Securities Premium Account</b>		
Opening Balance	29,157	27,769
Add: Additions on account of Amalgamation (refer note 35)	791	36
Add: Transfer (net) due to amalgamation (refer note 34)	-	483
Less: Share issue expenses	-	45
Add : Received during the year on exercise of Stock Options	316	570
Add: Transfer from Share Options Outstanding Account on exercise of Stock Options	1,046	344
Closing Balance	<u>31,310</u>	<u>29,157</u>
- <b>Debenture Redemption Reserve</b>		
Opening Balance	-	2,972
Add: Transfer from Surplus in Statement of Profit and Loss	-	28
Less: Transferred to Surplus in Statement of Profit and Loss	-	3,000
Closing Balance	<u>-</u>	<u>-</u>
- <b>Share Options Outstanding Account (refer note 2.17 and 56)</b>		
Opening Balance	4,115	2,190
Add: Additions on account of Amalgamation (refer note 34)	-	250
Add: Transfer (net) due to amalgamation (refer note 34)	-	(248)
Add: Amortised Amount of Stock Compensation Cost (net)	1,608	2,268
Less: Transfer to Securities Premium Account on exercise of Stock Options	1,046	344
Closing Balance	<u>4,677</u>	<u>4,115</u>
- <b>Statutory Reserve (refer note 44)</b>		
Opening Balance	3	3
Add : Additions during the year	-	-
Closing Balance	<u>3</u>	<u>3</u>
- <b>Foreign Currency Translation Reserve (refer note 2.13)</b>		
Opening Balance	403	248
Add: Additions on account of Amalgamation (refer note 34)	-	2
Add: Transfer due to amalgamation (refer note 34)	-	(11)
Add : Additions during the year (net)	150	164
Closing Balance	<u>553</u>	<u>403</u>
- <b>General Reserve</b>		
Opening Balance	10,249	12,428
Add: Transfer from surplus of profit and loss	-	32

	₹ in Million	
	As at	
	March 31, 2016	March 31, 2015
<b>Note 4 : Reserves and Surplus (contd)</b>		
Less: Transfer to surplus of profit and loss	<b>7,610</b>	-
Add: Additions on account of Amalgamation (refer note 35)	<b>(2,410)</b>	147
Add: Transfer (net) due to amalgamation (refer note 34)	-	44
Less: Utilised for issue of Bonus Shares (refer note 3)	-	2,402
Closing Balance	<b>229</b>	10,249
- <b>Hedging Reserve (refer note 50)</b>		
Opening Balance	<b>736</b>	(5,558)
Add: Movement during the year (net)	<b>1,174</b>	6,294
Closing Balance	<b>1,910</b>	736
- <b>Surplus in Statement of Profit and Loss</b>		
Opening balance	<b>72,942</b>	49,400
Add: Additions on account of Amalgamation (refer note 35)	<b>1,621</b>	922
Add : Transfer (net) due to Amalgamation (Opening Surplus / (Deficit) in Statement of Profit and Loss on Subsidiaries) (refer note 34)	-	155
Add: Transfer (net) due to amalgamation (refer note 34)	-	218
Add: Net Profit for the year	<b>31,180</b>	26,277
Less: Transfer to Debenture Redemption Reserve	-	28
Add: Transfer from Debenture Redemption Reserve	-	3,000
Less: Proposed Final Dividend (refer note 3)	<b>11,614</b>	5,765
Less: Tax on Proposed Dividend (refer note 3)	<b>2,364</b>	1,173
Less: Tax on Interim Dividend	<b>438</b>	-
Add: Transfer on account of cancellation/forfeiture of options	<b>0</b>	-
Add: Reversal of Provision for Tax on Dividend (refer note 60)	<b>1,137</b>	-
Less: Transfer to General Reserve	-	32
Add: Transfer from General Reserve	<b>7,610</b>	-
Less: Dividend and tax on dividend on Equity Shares issued after April 1 <sup>st</sup> till the record date	<b>7</b>	33
Closing Balance	<b>100,067</b>	72,942
	<b>138,824</b>	117,682

**Note 5: Long-Term Borrowings**

**Secured :**

- From Banks
- Secured by charge over Receivables and Vehicles and are repayable in quarterly installments over a period of 2-4 years.
- Finance Lease Obligations (refer note 47)
- Lease obligations are secured by the assets financed through the finance lease arrangements and are repayable in the equal monthly/ quarterly installments over a period of 1-5 years and carry a finance charge.

**Unsecured :**

- From Bank
- Repayable over a period of 2-3 years.
- From Others
- Repayable over a period of 3 years in quarterly installments.

<b>18</b>	229
<b>1,859</b>	112
<b>15</b>	22
<b>75</b>	97
<b>1,967</b>	460

	₹ in Million	
	As at	
	March 31, 2016	March 31, 2015
<b>Note 6: Other Long-Term Liabilities</b>		
- Fair Values of Foreign Exchange Forward and Currency Option Contracts (net) (refer note 50)	0	-
- Security Deposits	6	6
- Unearned Revenue	35	24
- Contractual Obligation (refer note 31.2.(viii) & (x))	190	410
	<hr/> <b>231</b>	<hr/> <b>440</b>
<b>Note 7: Long-Term Provisions</b>		
- Provision for Employee Benefits		
- Gratuity (refer note 45)	2,396	2,261
- Others	2,909	1,813
- Other Long Term Provisions	6	27
	<hr/> <b>5,311</b>	<hr/> <b>4,101</b>
<b>Note 8: Short-Term Borrowings</b>		
<b>Secured Loans:</b>		
- Cash Credit from Banks (Secured by Bank Deposits, Trade Receivables and Inventory)	651	92
- Loan from Banks (Secured by Trade Receivables)	621	765
- Others (Secured by Trade Receivables)	22	-
<b>Unsecured Loans:</b>		
- Loan from Banks (Payable on Demand) (refer note 31.4 (b) & 31.4 (c))	6,750	5,355
- From Others	11	74
	<hr/> <b>8,055</b>	<hr/> <b>6,286</b>
<b>Note 9: Trade Payables</b>		
- Trade Payables other than Accrued Salaries and Benefits (refer note 54)	17,186	15,215
- Accrued Salaries and Benefits	5,569	5,372
	<hr/> <b>22,755</b>	<hr/> <b>20,587</b>

	₹ in Million	
	As at	
	March 31, 2016	March 31, 2015
<b>Note 10: Other Current Liabilities</b>		
- Current Maturities of Finance Lease Obligations (refer note 47), (for details of security, refer note 5)	<b>762</b>	163
- Current Maturities of Long Term Loans (Unsecured)	<b>117</b>	92
- Current Maturities of Long Term Loans (Secured), (for details of security, refer note 5)	<b>19</b>	-
- Contractual Obligation (refer note 31.2.(iii), 31.2.(viii) and 31.2.(x))	<b>559</b>	567
- Interest Accrued but not due on Borrowings	<b>40</b>	5
- Fair Values of Foreign Exchange Forward and Currency Option Contracts (net) (refer note 50)	<b>87</b>	-
- Capital Creditors	<b>644</b>	784
- Advance from Customers	<b>922</b>	716
- Unearned Revenue	<b>1,618</b>	1,236
- Unclaimed Dividends	<b>43</b>	38
- Statutory Remittances	<b>4,145</b>	3,181
- Others#	<b>5,701</b>	5,444
# Others mainly Include:		
- Aberdeen UK Claims settlement consideration (including interest) payable ₹ <b>3,628 Million</b> (previous year ₹ 3,628 Million) (refer note 33)		
- Aberdeen US claim settlement consideration payable ₹ <b>648 Million</b> (previous year ₹ 648 Million) (refer note 33)		
- Class action suit settlement consideration payable ₹ <b>265 Million</b> (previous year ₹ 265 Million)		
- Discounts payable to Customers ₹ <b>894 Million</b> (previous year ₹ 586 Million)		
	<b>14,657</b>	12,226
<b>Note 11: Short-Term Provisions</b>		
- Provision for Employee Benefits		
-     Gratuity (refer note 45)	<b>471</b>	407
-     Others	<b>1,597</b>	2,131
- Provision for Proposed Final Dividend (refer note 3)	<b>11,614</b>	5,765
- Provision for Tax on Dividend (refer note 3)	<b>2,364</b>	1,173
- Provision for Income Tax (net of Taxes paid) (refer note 31.5 and 51)	<b>6,916</b>	7,095
- Provision for Claims and Warranties (refer note 52)	<b>209</b>	175
- Provision for Contingencies (refer note 53)	<b>922</b>	1,241
	<b>24,093</b>	17,987

**Note 12: Fixed Assets**

Gross Block										Accumulated Depreciation/Amortisation					₹ in Million																				
Cost as on April 01, 2015		Additions on Amail- gamation (refer note 34)		Transfer on Amail- gamation (refer note 34)		Acqui- sitions during the year (refer note 31.2 (viii))		Additions during the year		Deletions during the year		Adjust- ments (refer note 47 (vii))		Balance as at March 31, 2016		As at April 01, 2015		Additions on Amail- gamation (refer note 34)		Transfer on Amail- gamation (refer note 34)		Acqui- sitions during the year (refer note 31.2 (viii))		For the year		Dedu- cations during the year		Reclassi- fication (refer note 47 (vii))		Adjust- ments		Upto March 31, 2016		As at March 31, 2016	
<b>a) Tangible Assets</b>																																			
Freehold Land	<b>738</b>	-	-	-	-	-	-	8	-	730	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>730</b>	-						
Leasehold Land	<b>745</b>	-	-	-	-	-	-	7	-	14	-	738	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>738</b>	-						
Buildings	<b>1,833</b>	-	-	-	-	-	-	<b>5</b>	<b>3</b>	-	-	<b>1,835</b>	<b>266</b>	-	-	-	-	-	<b>37</b>	<b>1</b>	-	-	-	-	-	-	<b>302</b>	<b>1,533</b>							
Computers	<b>14,223</b>	-	-	-	-	-	-	<b>1,693</b>	<b>4</b>	-	-	<b>15,912</b>	<b>3,755</b>	-	-	-	-	-	<b>563</b>	<b>5</b>	-	-	-	-	-	-	<b>4,313</b>	<b>11,599</b>							
Plant and Equipments	<b>13,485</b>	-	-	-	-	-	-	<b>11</b>	<b>841</b>	-	-	<b>14,106</b>	<b>9,767</b>	-	-	-	-	<b>9</b>	<b>2,124</b>	<b>609</b>	-	-	-	-	-	-	<b>51</b>	<b>11,342</b>							
Furniture and Fixtures	<b>10,072</b>	<b>68</b>	-	-	-	-	-	<b>662</b>	<b>3,117</b>	<b>433</b>	-	<b>114</b>	<b>13,485</b>	<b>7,878</b>	<b>60</b>	<b>6</b>	<b>500</b>	<b>1,749</b>	<b>416</b>	-	-	<b>10</b>	<b>9,767</b>	<b>3,718</b>	-	-	-	-	-	-					
Vehicles	<b>537</b>	-	-	-	-	-	-	<b>0</b>	<b>2,229</b>	<b>418</b>	-	<b>75</b>	<b>15,709</b>	<b>10,556</b>	-	-	<b>1,867</b>	<b>387</b>	<b>101</b>	-	-	<b>50</b>	<b>12,086</b>	<b>3,623</b>	-	-	-	-	-	-					
Office Equipments	<b>1,631</b>	-	-	-	-	-	-	<b>1</b>	<b>278</b>	<b>118</b>	-	<b>11</b>	<b>1,803</b>	<b>1,191</b>	-	-	<b>1</b>	<b>200</b>	<b>98</b>	-	-	<b>10</b>	<b>1,304</b>	<b>499</b>	-	-	-	-	-	-					
Leasehold Improvements	<b>1,237</b>	<b>5</b>	-	-	-	-	-	<b>2</b>	<b>210</b>	<b>249</b>	-	<b>0</b>	<b>2</b>	<b>1,631</b>	<b>951</b>	<b>4</b>	<b>1</b>	<b>153</b>	<b>147</b>	<b>64</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>1,191</b>	<b>440</b>	-	-	-	-	-	-				
<b>Taken on Finance Lease:</b>								<b>3</b>	<b>400</b>	<b>59</b>	-	<b>14</b>	<b>2,045</b>	<b>1,435</b>	-	-	<b>3</b>	<b>191</b>	<b>59</b>	-	<b>9</b>	<b>1,579</b>	<b>466</b>	-	-	-	-	-	-						
Computers	<b>1,450</b>	<b>15</b>	-	-	-	-	-	<b>113</b>	<b>152</b>	<b>38</b>	-	<b>5</b>	<b>1,687</b>	<b>1,208</b>	<b>13</b>	-	<b>70</b>	<b>184</b>	<b>37</b>	-	<b>3</b>	<b>1,435</b>	<b>252</b>	-	-	-	-	-	-						
Plant and Equipments	<b>358</b>	-	-	-	-	-	-	<b>45</b>	<b>129</b>	-	-	<b>13</b>	<b>287</b>	<b>318</b>	-	-	<b>2</b>	<b>185</b>	-	-	-	-	-	-	<b>185</b>	<b>2,000</b>	-	-	-	-	-	-			
Furniture & Fixtures	<b>167</b>	-	-	-	-	-	-	<b>214</b>	-	<b>20</b>	-	<b>3</b>	<b>358</b>	<b>167</b>	-	-	<b>1</b>	<b>20</b>	<b>127</b>	-	-	<b>3</b>	<b>214</b>	<b>73</b>	-	-	-	-	-	-					
Vehicles	<b>502</b>	-	-	-	-	-	-	<b>279</b>	<b>275</b>	-	-	<b>22</b>	<b>528</b>	<b>281</b>	-	-	<b>1</b>	<b>161</b>	<b>8</b>	<b>16</b>	-	<b>2</b>	<b>318</b>	<b>40</b>	-	-	<b>0</b>	<b>0</b>	<b>0</b>	-					
<b>Total</b>	<b>54,352</b>	-	-	-	-	-	-	<b>47</b>	<b>9,467</b>	<b>1,972</b>	<b>8</b>	<b>221</b>	<b>62,107</b>	<b>32,308</b>	-	-	<b>40</b>	<b>6,044</b>	<b>1,614</b>	-	-	<b>10</b>	<b>233</b>	<b>295</b>	-	<b>151</b>	<b>36,929</b>	<b>25,178</b>	-	-	-	-	-	-	
<b>b) Intangible Assets</b>																																			
Goodwill	<b>56</b>	-	-	-	-	-	-	<b>2</b>	-	<b>4</b>	-	<b>58</b>	<b>2</b>	-	-	-	<b>1</b>	<b>2</b>	-	-	-	<b>1</b>	<b>57</b>	-	-	-	-	-	-						
Intellectual property rights	<b>83</b>	-	-	-	-	-	-	<b>0</b>	<b>76</b>	<b>0</b>	<b>7</b>	<b>83</b>	-	-	-	<b>0</b>	-	<b>76</b>	-	-	<b>7</b>	<b>0</b>	-	-	<b>2</b>	<b>54</b>	-	-	-	-	-	-			
Patents	<b>32</b>	-	-	-	-	-	-	<b>32</b>	-	-	-	<b>32</b>	-	-	-	-	<b>32</b>	-	-	-	<b>32</b>	-	-	-	<b>83</b>	-	-	-	<b>1</b>	<b>26</b>	-				
Software (other than internally generated)	<b>4,986</b>	-	-	-	-	-	-	<b>7</b>	<b>1,355</b>	<b>217</b>	-	<b>35</b>	<b>6,166</b>	<b>4,038</b>	-	-	<b>7</b>	<b>1,483</b>	<b>208</b>	-	-	<b>18</b>	<b>5,338</b>	<b>828</b>	-	-	<b>25</b>	<b>4,038</b>	<b>948</b>	-					
Customer relationships	<b>3,129</b>	<b>253</b>	-	-	-	-	-	<b>2</b>	<b>369</b>	<b>1,322</b>	<b>61</b>	-	<b>28</b>	<b>4,986</b>	<b>2,340</b>	<b>233</b>	<b>2</b>	<b>270</b>	<b>1,267</b>	<b>43</b>	-	<b>1</b>	<b>1</b>	<b>26</b>	-	-	-	-	-	-					
<b>Total</b>	<b>5,157</b>	-	-	-	-	-	-	<b>34</b>	<b>1,355</b>	<b>327</b>	-	<b>39</b>	<b>6,258</b>	<b>4,155</b>	-	-	<b>7</b>	<b>1,485</b>	<b>318</b>	-	-	<b>18</b>	<b>5,347</b>	<b>911</b>	-	-	<b>25</b>	<b>4,155</b>	<b>1002</b>	<b>5,677</b>					
<b>c) Capital Work-in-Progress</b>	<b>3,298</b>	<b>233</b>	-	-	-	-	-	<b>2</b>	<b>369</b>	<b>1,322</b>	<b>61</b>	-	<b>26</b>	<b>5,157</b>	<b>2,457</b>	<b>233</b>	<b>2</b>	<b>270</b>	<b>1,267</b>	<b>43</b>	-	<b>25</b>	<b>4,155</b>	<b>6,294</b>	-	-	<b>25</b>	<b>4,155</b>	<b>1002</b>	<b>5,677</b>					

**Notes:**

i) 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 31.5.1.(i))

ii) Numbers in Italics pertains to the previous year.

	₹ in Million	
	As at	
	<u>March 31, 2016</u>	<u>March 31, 2015</u>
<b>Note 13: Non-Current Investments</b>		
<b>(at cost, unless otherwise specified)</b>		
<b>(A) Trade</b>		
<b>(a) In Subsidiaries - unquoted</b>		
50,000 Equity Shares (previous year 50,000) of ₹ 10 each fully paid up of Tech Mahindra Foundation. (refer note 30)	1	1
10,000 Equity Shares (previous year 10,000) of ₹ 10 each fully paid up of Mahindra Educational Institutions. (refer note 30)	0	0
<b>Sub-total (a)</b>	<b>1</b>	<b>1</b>
<b>(b) In Associates - unquoted</b>		
<b>In Equity Shares:</b>		
1,225 Ordinary Shares (previous year 1,225) of DZD 1,000 each fully paid up of SARL Djazatech.^	72	45
^ includes Goodwill of ₹ 71 Million and share of post acquisition profit of ₹ 27 Million (previous year ₹ 1 Million) (refer note 27 (ii) and 31.2.(ix))		
720 Shares (previous year Nil) of QAR 100 each fully paid up of IQS Information Solutions WLL ^^(refer note 28.A.(iii))	-	-
^^ includes Goodwill of ₹ Nil and share of post acquisition loss of ₹ 1 Million (previous year ₹ Nil)		
<b>In Preference Shares:</b>		
600,000 Series A Preference Shares (previous year 600,000) of USD 0.001 each fully paid up of Avion Networks, Inc. #	186	186
# includes Goodwill of ₹ 186 Million and share of post acquisition profit ₹ 0 Million (previous year ₹ Nil) (refer note 27 (ii) and 31.2.(ii))		
<b>Sub-total (b)</b>	<b>258</b>	<b>231</b>
<b>(c) Other Investments</b>		
<b>- Quoted (refer note (iv) below)</b>		
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
	<b>350</b>	<b>107</b>
138,496 Class A Shares (previous year 138,496) of EUR 1 each, fully paid up of Bank of Cyprus	11	11
Less: Provision for Diminution	8	8
	<b>3</b>	<b>3</b>
<b>- Unquoted</b>		
4,232,622 Ordinary Shares (previous year 4,232,622) of GBP 0.002 each fully paid up of Servista Limited.	1	1
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
	<b>85</b>	<b>85</b>
Less: Provision for Diminution (refer note 42)	85	85
	<b>-</b>	<b>-</b>
<b>Sub-total (c)</b>	<b>353</b>	<b>110</b>

		₹ in Million	
		As at	
		<u>March 31, 2016</u>	<u>March 31, 2015</u>
<b>Note 13: Non-Current Investments (contd)</b>			
<b>(d) Investment in entities which are liquidated/ dissolved</b>			
<b>- Other investments - Unquoted</b>			
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 (i) 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 (i) below)		25	25
Less: Provision for diminution in value of investment		25	25
		-	-
		-	-
		<b>612</b>	<b>342</b>
<b>(B) In Bonds and Trust Securities - unquoted</b>			
TML Benefit Trust		0	0
Interest in TML Benefit Trust		12,071	12,071
Treasury Bonds and Bills (refer note (ii) below)		15	18
Investment in TML Odd Lot Trust		0	0
New Democratic Electoral Trust		0	0
National Savings Certificates, VIII Series (Lodged as Security with Government Authorities)		0	0
		<b>12,086</b>	<b>12,089</b>
<b>(C) Investment Property (refer note 47 (vi))</b>			
Less : Amortisation		777	696
		231	140
		<b>546</b>	<b>556</b>
		<b>13,244</b>	<b>12,987</b>

**Note :**

- i) 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 for.
- ii) As per statutory requirements for overseas branches.
- iii) Amounts less than ₹ 5 lakhs are reported as '0'.
- iv) Details of investments:

		₹ in Million	
		As at	
		<u>March 31, 2016</u>	<u>March 31, 2015</u>
Aggregate amount of Quoted Investments		361	361
Aggregate market value of Quoted Investment		393	448
Aggregate amount of Unquoted Investments		12,471	12,447
Aggregate amount of Provision for Diminution in Value of Investments		134	377

₹ in Million

	As at	
	<u>March 31, 2016</u>	<u>March 31, 2015</u>
<b>Note 14 : Long-Term Loans and Advances</b>		
<b>(Unsecured, considered good unless otherwise stated)</b>		
- Capital Advances		
Considered Good	509	943
Considered Doubtful	8	7
	517	950
Less: Provision	8	7
	509	943
- Security Deposits		
Considered Good	1,451	1,526
Considered Doubtful	69	144
	1,520	1,670
Less: Provision	69	144
	1,451	1,526
- Advances to Related Parties (refer note 54)		
Considered Good	110	68
Considered Doubtful	-	-
	110	68
Less: Provision	-	-
	110	68
- Loans to Related Party (refer note 54)	12	18
- Advance Income Taxes (Net of provisions)	10,676	7,940
- Balance with Government Authorities #		
Considered Good	1,200	1,186
Considered Doubtful	12	12
	1,212	1,198
Less: Provision	12	12
	1,200	1,186
- Prepaid Expenses	1,957	656
- Fair Values of Foreign Exchange Forward and Currency Option Contracts (net) (refer note 50)	834	401
- Others		
Considered Good	17	17
Considered Doubtful	199	267
	216	284
Less: Provision	199	267
	17	17
	16,766	12,755

# mainly pertains to Service Tax and VAT.

₹ in Million

	As at	
	March 31, 2016	March 31, 2015
- Trade Receivables # (Unsecured)		
Considered Good		
Considered Doubtful	3,339	3,343
Less: Provision	3,339	3,343
	3,339	3,343
- Unbilled Revenue	-	-
- Lease Receivable		
Considered Good (refer note 47)	225	-
Considered Doubtful (refer note 47)	231	231
Less : Provision (refer note 47)	456	231
	231	231
	225	-
- Fixed Deposits / Margin Money Deposits having maturities of more than 12 months from the Balance Sheet date	67	31
- Interest Receivable		
Interest accrued on Bank Deposits	2	-
Others #	-	0
	294	306

# Refer note 54

**Note 16: Current Investments**

- <b>Current portion of Long Term Investment - unquoted</b>		
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
	-	-
- <b>Investment in Mutual Funds - unquoted (at cost or fair value whichever is lower)</b>		
3,484,381.26 (previous year : Nil) Units of ₹ 286.99 (previous year : ₹ Nil) each of ICICI Prudential Flexible Income Plan - Direct Growth	1,000	-
2,175,731.12 (previous year : Nil) Units of ₹ 224.09 (previous year : ₹ Nil) each of ICICI Prudential Liquid Plan - Direct Growth	488	-
10,559,256.09 (previous year : Nil) Units of ₹ 243.08 (previous year : ₹ Nil) each of Birla Sun Life Cash Plus - Growth - DIRECT	2,567	-
298,349.65 (previous year : Nil) Units of ₹ 1,009.91 (previous year : ₹ Nil) each of SBI MICL FP - Direct Daily Dividend	301	-
380,090.15 (previous year : Nil) Units of ₹ 1,003.25 (previous year : ₹ Nil) each of SBI Premier Liquid Fund - Direct Plan - Daily Dividend	381	-
179,977.31 (previous year : Nil) Units of ₹ 1,675.03 (previous year : ₹ Nil) each of SBI Magnum Insta Cash Direct Daily Dividend	301	-
98,273.62 (previous year : Nil) Units of ₹ 1,023.30 (previous year : ₹ Nil) each of L&T Cash Fund Direct Plan - Daily Dividend	101	-
47,994.20 (previous year : Nil) Units of ₹ 2,083.59 (previous year : ₹ Nil) each of Religare Invesco Liquid Fund - Direct Plan Growth	100	-

	₹ in Million		
	As at	March 31, 2016	March 31, 2015
<b>Note 16: Current Investments (contd)</b>			
470,111.26 (previous year : Nil) Units of ₹ 2,385.54 (previous year : ₹ Nil) each of Tata Money Market Fund Direct Plan - Growth	<b>1,121</b>	-	
1,191,215.91 (previous year : Nil) Units of ₹ 1697.14 (previous year : ₹ Nil) each of UTI-Money Market Fund-Institutional Plan- Direct Plan- Growth	<b>2,022</b>	-	
357,194.51 (previous year : Nil) Units of ₹ 2,099.70 (previous year : ₹ Nil) each of Reliance Money Manager Fund - Direct Growth Plan Growth Option	<b>750</b>	-	
80,513.52 (previous year : Nil) Units of ₹ 2,484.05 (previous year : ₹ Nil) each of Kotak Floater Short Term - Direct Plan - Growth	<b>200</b>	-	
15,000,000 (previous year : Nil) units of ₹ 10 (previous year : ₹ Nil) each fully paid up of Reliance Quarterly Interval fund - series ii - Direct Dividend plan	<b>150</b>	-	
16,055.57 (previous year: Nil) units of ₹ 223.67 (previous year: ₹ Nil) each fully paid up of ICICI Prudential Liquid Fund - Regular - Growth	<b>4</b>	-	
107,977.10 (Previous year: Nil) units of ₹ 1019.45 (Previous year: ₹ Nil) - UTI-Liquid cash plan-Institutional-dividend	<b>110</b>	-	
32,067,220.24 (Previous year: Nil) units of ARS. 0.18 (Previous year : ARS. Nil) -Alpha Ahorro Class A mutual funds	<b>26</b>	-	
195,846.93 (previous year : 211,456.00) Units of ₹ 3,070.77 (previous year : ₹ 2,837.47) each of Kotak Liquid Scheme Plan A - Direct Plan - Growth	<b>601</b>	600	
150,786.96 (previous year : 219,976.00) Units of ₹ 3,691.60 (previous year : ₹ 3,409.46) each of Reliance Liquid Fund - Treasury Plan - Direct Growth Plan - Growth Option	<b>557</b>	750	
68,745 (previous year : 7,776,331) units of ₹ 243.31 (previous year: ₹ 100.30) each fully paid up of Birla Sun Life Savings Fund - Daily Dividend - Direct Reinvestment	<b>17</b>	780	
10,000,000 (previous year: 10,000,000) units of ₹ 10 (previous year: ₹ 10) each fully paid up of Birla Sun Life -Fixed Term Plan-Series KJ (400 days) - Growth Direct	<b>100</b>	100	
160,550 (previous year: 431) units of ₹ 3695.02 (previous year: ₹ 1528.74) each fully paid up Reliance-Liquid fund-Treasury Plan- Direct Daily Dividend option	<b>593</b>	1	
10,000,000 (previous year: 10,000,000) units of ₹ 10 (previous year: ₹ 10) each fully paid up Reliance Fixed Horizon Fund - XXV - Series 27 - Direct Plan Growth Plan	<b>100</b>	100	
1,909 (previous year: 81,261) units of ₹ 224.29 (previous year: ₹ 100.06) each fully paid up of ICICI Prudential Liquid - Direct Plan- Daily dividend	<b>0</b>	8	
10,000,000 (previous year: 10,000,000) units of ₹ 10 (previous year: ₹ 10) each fully paid up of ICICI Prudential FMP Series 73 - 407 days Plan C Direct Plan	<b>100</b>	100	
Nil ((previous year: 13,087,874) Units of ₹ Nil (previous year ₹ 38.20) each of JM High Liquidity Fund - Direct - Growth	-	500	
Nil (previous year : 3,619,297) Units of ₹ Nil (previous year : ₹ 193.41) each of ICICI Prudential Money Market Fund - Direct Plan - Growth	-	700	
Nil (previous year : 22,493,824) Units of ₹ Nil (previous year : ₹ 22.35) each of Kotak Treasury Advantage Fund - Direct Plan - Growth	-	503	

	₹ in Million		
	As at	March 31, 2016	March 31, 2015
<b>Note 16: Current Investments (contd)</b>			
Nil (previous year : 5,509,660) Units of ₹ Nil (previous year : ₹ 29.04) each of Reliance Medium term Fund - Direct Growth Plan - Growth Option		-	160
Nil (previous year : 124,669) Units of ₹ Nil (previous year : ₹ 1,604.25) each of Baroda Pioneer Liquid Fund - Plan B - Growth		-	200
Nil (previous year : 187,835) Units of ₹ Nil (previous year : ₹ 1,597.14) each of Baroda Pioneer Treasury Advantage Fund - Plan B - Growth		-	300
Nil (previous year : 15,821,282) Units of ₹ Nil (previous year : ₹ 22.12) each of IDFC Money Manager Fund - Treasury Plan - Growth - (Direct Plan)		-	350
Nil (previous year : 394,220) Units of ₹ Nil (previous year : ₹ 1,280.61) each of Axis Banking Debt Fund - Direct Growth		-	505
Nil (previous year: 469,541) units of ₹ Nil (previous year: ₹ 1,926.81) each fully paid up Reliance Money Manager Fund-Daily Direct Dividend Plan.		-	904
Nil (previous year: 10,000,000) units of ₹ Nil (previous year: ₹ 10.00) each of Tata Fixed Maturity Plan Series 46 Scheme N - Direct Plan - Growth		-	100
Nil (previous year:73,267,402) units of ₹ Nil (previous year: ₹ 10.11) each of ICICI Prudential Ultra Short Term - Growth- Direct		-	740
Nil (previous year: 6,052,164) units of ₹ Nil (previous year: ₹ 105.74) each fully paid up ICICI Prudential Flexible Income - Direct Plan- Daily Dividend.		-	640
	<b>11,690</b>	<b>8,041</b>	
Aggregate Amount of Unquoted Investments	<b>11,799</b>	8,150	
Aggregate amount of Provision for Diminution in value of Investments	<b>109</b>	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 is awaiting approval from Reserve Bank of India for adjusting the same against the cost of investment.

#### Note 17: Inventories

- Hardware, Software and Product Components

<b>414</b>	245
<b>414</b>	245

#### Note 18: Trade Receivables

- Trade Receivables # (Unsecured)  
Over Six Months
  - Considered Good\*
  - Considered Doubtful (refer note 48)

<b>3,265</b>	2,655
<b>4,862</b>	3,637

		₹ in Million	
		As at	
		March 31, 2016	March 31, 2015
<b>Note 18: Trade Receivables (contd)</b>			
Others			
Considered Good**	54,441	49,404	
Considered Doubtful	27	10	
	<b>62,595</b>	<b>55,706</b>	
Less: Provision for Doubtful Receivables (refer note 48)	<b>4,890</b>	<b>3,647</b>	
	<b>57,705</b>	<b>52,059</b>	
# refer note 54			
1. * Net of remittances received aggregating to ₹ <b>1,564 Million</b> (previous year: ₹ 938 Million) pending adjustments against invoices.			
2. ** Net of remittances received aggregating to ₹ <b>4,539 Million</b> (previous year: ₹ 2,912 Million) pending adjustments against invoices.			
<b>Note 19: Cash and Bank Balances</b>			
- <b>Cash and Cash Equivalents</b>			
Cash on Hand	11	10	
Funds in Transit	1,583	382	
Balances with Banks			
In Current Accounts	13,549	9,571	
In Deposit Accounts	8,830	2,119	
	<b>Sub-total (a)</b>	<b>23,973</b>	<b>12,082</b>
- <b>Other Bank Balances</b>			
In Deposit Accounts (refer note below)	15,678	6,584	
Earmarked Balances with Banks			
Unclaimed Dividend	43	38	
Balances held as Margin Money/Security towards obtaining	416	5,331	
Bank Guarantees			
Balance held under Escrow Account	28	14	
	<b>Sub-total (b)</b>	<b>16,165</b>	<b>11,967</b>
<b>Notes :</b>			
Certain fixed deposits of the Company, then aggregating to ₹ 8,220 Million were alleged by ED to be 'proceeds of crime' and were provisionally attached vide Order dated October 18, 2012 by the 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 this interim Order passed by the Single Judge before the Division Bench of the Court. Vide order dated December 31, 2014, the Hon'ble High Court upon hearing the matter, has dismissed the Appeal filed by ED and affirmed the Stay granted by the Single Judge. Consequently, out of the aforesaid fixed deposit which were attached, fixed deposits aggregating ₹ 3,570 million have been redeemed. Certain banks have not honored the redemption claim of fixed deposits amounting to ₹ 4,650 Million (current principal amount; ₹ 6,415 million) and the Company is pursuing the matter legally. (refer note 32)			
	<b>Total (a+b)</b>	<b>40,138</b>	<b>24,049</b>

	₹ in Million	
	As at	
	March 31, 2016	March 31, 2015
<b>Note 20: Short-Term Loans and Advances</b>		
<b>(Unsecured, considered good unless otherwise stated)</b>		
- Loans and Advances to Employees		
Considered Good	786	679
Considered Doubtful	97	82
Less: Provision	883	761
	97	82
	786	679
- MAT Credit Entitlement		
- Balance with Government Authorities	4,767	8,972
- Security Deposits	54	55
- Prepaid Expenses	3,754	2,457
- Fair Values of Foreign Exchange Forward and Currency Option Contracts (net) (refer note 50)	1,232	416
- Others#		
Considered Good	6,491	6,072
Considered Doubtful	261	194
Less : Provision	6,752	6,266
	261	194
	6,491	6,072
# Others mainly include		
- Amount deposited and held in escrow account ₹ <b>3,628 Million</b> (previous year ₹ 3,628 Million) (USD 68.16 Million) towards Aberdeen UK settlement consideration and interest.(refer note 33)		
- Includes amount deposited and held in escrow account ₹ <b>648 Million</b> (previous year ₹ 648 Million) (USD 12 Million) towards Aberdeen US claims settlement consideration. (refer note 33)		
- Includes amount deposited and held in initial escrow account ₹ <b>265 Million</b> (previous year ₹ 265 Million) towards class action settlement consideration.		
	<b>17,084</b>	<b>18,728</b>
<b>Note 21: Other Current Assets</b>		
<b>(Unsecured, considered good unless otherwise stated)</b>		
- Unbilled Revenue #	21,989	19,150
- Lease Receivable (refer note 47)	95	-
- Interest accrued on Deposits	91	101
- Contractually Reimbursable Expenses #		
Considered Good	188	153
Considered Doubtful	26	26
Less : Provision	214	179
	26	26
	188	153
- Others	57	-
	<b>22,420</b>	<b>19,404</b>

# Refer note 54

	₹ in Million	
	For the Year Ended	
	March 31, 2016	March 31, 2015
<b>Note 22: Other Income (net)</b>		
- Interest on:		
Deposit with Banks	600	1,478
Others	344	133
	<u>944</u>	<u>1,611</u>
- Foreign Exchange Gain/(Loss) - (net)	1,390	(2,234)
- Rent Income	87	73
- Dividend Income on Current Investments	848	354
- Profit on Sale of Current Investments	21	-
- Sundry Balances Written Back (refer note 53)	1,023	531
- Provision for non-current investments no longer required (refer note 43)	243	-
- Miscellaneous Income	1,010	730
	<u>5,566</u>	<u>1,065</u>
<b>Note 23: Employee Benefits Expense</b>		
- Salaries and Incentives	127,988	108,891
- Contribution to Provident and Other Funds (refer note 45)	7,659	6,330
- Gratuity (refer note 45)	638	408
- Employee Stock Compensation Cost (net) (refer note 56)	1,608	2,268
- Staff Welfare Expenses	1,190	1,240
	<u>139,083</u>	<u>119,137</u>
<b>Note 24: Finance Costs</b>		
- Interest Expense:		
On Debentures and Long Term Loans	33	22
On Short Term Loans and Cash Credit	354	235
Cash Discount	424	393
Others	150	41
	<u>961</u>	<u>691</u>
<b>Note 25 : Depreciation and Amortisation Expense</b>		
- Depreciation / Amortisation on Fixed Assets (refer note 12)	7,529	6,038
- Amortisation on Investment Property (refer note 13)	91	76
	<u>7,620</u>	<u>6,114</u>
<b>Note 26: Other Expenses</b>		
- Power and Fuel	1,688	1,509
- Rent	3,210	2,595
- Rates and Taxes	660	591
- Communication Expenses	2,643	2,102
- Travelling Expenses	9,625	8,960

**Note 23: Employee Benefits Expense**

- Salaries and Incentives	127,988	108,891
- Contribution to Provident and Other Funds (refer note 45)	7,659	6,330
- Gratuity (refer note 45)	638	408
- Employee Stock Compensation Cost (net) (refer note 56)	1,608	2,268
- Staff Welfare Expenses	1,190	1,240
	<u>139,083</u>	<u>119,137</u>

**Note 24: Finance Costs**

- Interest Expense:		
On Debentures and Long Term Loans	33	22
On Short Term Loans and Cash Credit	354	235
Cash Discount	424	393
Others	150	41
	<u>961</u>	<u>691</u>

**Note 25 : Depreciation and Amortisation Expense**

- Depreciation / Amortisation on Fixed Assets (refer note 12)	7,529	6,038
- Amortisation on Investment Property (refer note 13)	91	76
	<u>7,620</u>	<u>6,114</u>

**Note 26: Other Expenses**

- Power and Fuel	1,688	1,509
- Rent	3,210	2,595
- Rates and Taxes	660	591
- Communication Expenses	2,643	2,102
- Travelling Expenses	9,625	8,960

	₹ in Million	
	For the Year Ended	
	March 31, 2016	March 31, 2015
<b>Note 26: Other Expenses (contd)</b>		
- Recruitment Expenses	593	661
- Training	229	357
- Hire Charges	2,220	1,257
- Professional and Legal Fees	2,706	2,153
- Repairs and Maintenance :		
Buildings (Including Leased Premises)	247	235
Machinery and Computers	2,305	1,898
Others	556	441
	<u>3,108</u>	<u>2,574</u>
- Insurance	3,605	2,709
- Software, Hardware and Project Specific Expenses	11,272	6,618
- Claims and Warranties (Net) (refer note 52)	284	94
- Advertising, Marketing and Selling Expenses	1,030	1,218
- General Office Expenses	1,648	1,674
- (Profit) / Loss on Sale of Fixed Assets (Net)	(109)	9
- <u>Provision for Doubtful Receivables, Unbilled Revenue and Bad Debts written off</u>		
Provided during the year	2,290	1,395
Bad Debts written off	186	712
Less: Provision reversed during the year	1,069	1,417
	<u>1,407</u>	<u>690</u>
- <u>Provision for Doubtful Advances, Deposits and Advances written off</u>		
Provided during the year	125	142
Advances written off	158	86
Less: Provision reversed during the year	193	118
	<u>90</u>	<u>110</u>
- Donation	9	13
- Corporate Social Responsibility Expenditure (refer note below)	522	583
- Miscellaneous Expenses	508	335
	<u>46,948</u>	<u>36,812</u>

**Note : Corporate Social Responsibility Expenditure**

- Gross amount required to be spent by Indian companies during the year is ₹ 519 Million (previous year ₹ 347 million) (calculated as per 2% of the average net profits of the company made during the three immediately preceding financial years)
- Amount spent during the year on:

Particulars	In cash	Yet to be paid in cash	Total
Construction/acquisition of any asset*	- (-)	- (-)	- (-)
On purposes other than Construction/acquisition of any asset*	522 (583)	- (-)	522 (583)

\* Numbers in brackets pertains to previous year.

## 27. Particulars of Consolidation

The consolidated financial statements present the consolidated accounts of the Group, which consists of accounts of TechM and its subsidiaries / associates:

### i. Investment in subsidiaries:

<b>Name of Company</b>	<b>Country of Incorporation</b>	<b>Extent of holding</b>	
		<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
Tech Mahindra IPR Inc.	U.S.A.	<b>100%</b>	100%
Tech Mahindra GmbH (TMGMBH) and its following subsidiaries:	Germany	<b>100%</b>	100%
• TechM IT-Services GmbH	Austria	<b>100%</b>	100%
• Tech Mahindra Business Services GmbH	Germany	<b>100%</b>	100%
Tech Mahindra (Singapore) Pte. Limited (TMSL)	Singapore	<b>100%</b>	100%
Tech Mahindra (Thailand) Limited (TMTL)	Thailand	<b>100%</b>	100%
PT Tech Mahindra Indonesia (TMI)	Indonesia	<b>100%</b>	100%
Tech Mahindra (Malaysia) SDN. BHD. (TMM)	Malaysia	<b>100%</b>	100%
Tech Mahindra (Beijing) IT Services Limited (TMB)	China	<b>100%</b>	100%
Tech Mahindra (Nigeria) Limited (TMNL)	Nigeria	<b>100%</b>	100%
Tech Mahindra (Bahrain) Limited S.P.C. (TMBL)	Bahrain	<b>100%</b>	100%
Tech Mahindra Business Services Limited	India	<b>100%</b>	100%
Comviva Technologies Limited (Comviva) and its following 100% subsidiaries	India	<b>67.12%</b>	67.12%
Comviva Technologies Inc.	U.S.A.	<b>67.12%</b>	67.12%
Comviva Technologies Singapore Pte. Ltd.	Singapore	<b>67.12%</b>	67.12%
• Comviva Technologies FZ-LLC	UAE	<b>67.12%</b>	67.12%
• Comviva Technologies B.V. [refer note 28 (A) (xiv)] and its following subsidiaries	Netherlands	<b>67.12%</b>	-
• ATS Advanced Technology Solutions S A [Refer note 31.2 (viii)]	Argentina.	<b>67.12%</b>	-
• ATS Advanced Technology Solutions do Brasil Industria Comercio, Importacao e Exportacao Ltda [Refer note 31.2 (viii)]	Brazil	<b>67.12%</b>	-
• Terra Payment Services South Africa (Pty) Ltd [Refer note 28 (B) (ii)]	South Africa	<b>67.12%</b>	-
• Terra Payment Services (Netherlands) BV and its following subsidiaries [Refer note 28 (A) (xv)]	Netherlands	<b>67.12%</b>	-
• Mobex Money Transfer Services Limited [Refer note 28 (B) (iii)]	Kenya	<b>67.12%</b>	-
• Terrapay Services (UK) Limited [Refer note 28 (B) (v)]	U.K.	<b>67.12%</b>	-
• Terra Payment Services (Tanzania) Limited [Refer note 28 (B) (vi)]	Tanzania	<b>67.12%</b>	-
• Terra Payment Services (Uganda) Limited [Refer note 28 (B) (vii)]	Uganda	<b>67.12%</b>	-
• Comviva Technologies Nigeria Limited and its following 75% subsidiary	Nigeria	<b>67.12%</b>	67.12%
• Hedonmark {Management Services} Limited	Nigeria	<b>50.34%</b>	50.34%

<b>Name of Company</b>	<b>Country of Incorporation</b>	<b>Extent of holding</b>	
		<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
Tech Mahindra South Africa (Pty) Limited (TMSAPL)	South Africa	<b>51%</b>	51%
Tech Mahindra BPO Limited (TMBPO) [Refer note 35]	India	-	100%
Tech Mahindra (Shanghai) Co. Limited	China	<b>100%</b>	100%
Tech Mahindra (Nanjing) Co. Limited	China	<b>100%</b>	100%
Tech Mahindra Technologies Inc.	U.S.A.	<b>100%</b>	100%
Citisoft Plc. and its following 100% subsidiary	U.K.	<b>100%</b>	100%
• Citisoft Inc.	U.S.A.	<b>100%</b>	100%
Satyam Computer Services Belgium BVBA (refer note29 (B) (ii))	Belgium	-	-
Satyam Venture Engineering Services Private Limited and its following 100% subsidiary	India	<b>50%</b>	50%
• Satyam Venture Engineering Services (Shanghai) Co. Limited.	China	<b>50%</b>	50%
• Satven GmbH (Formerly known as Satyam Venture Engineering Services GmbH)	Germany	<b>50%</b>	-
Tech Mahindra De. Mexico S.D.E.R.L.D.E.C.V (Formerly known as Satyam Computer Services De Mexico S.D.E.R.L.D.E.C.V.) [Refer note 28 (A) (vii)]	Mexico	<b>100%</b>	100%
New vC Services Private Limited [Refer note 35]	India	-	100%
vCustomer Philippines Inc and its following 100% subsidiary	Philippines	<b>100%</b>	100%
• vCustomer Philippines (Cebu), Inc.	Philippines	<b>100%</b>	100%
Tech Mahindra Servicos De Informatica LTDA and its following 100% subsidiaries [Refer 28 (A) (iv)]	Brazil	<b>100%</b>	100%
• Satyam Colombia Servicios De Informática SAS [refer note 29 (B) (i)]	Columbia	<b>100%</b>	100%
• Complex IT Solution Consultoria EM Informatica S/A.	Brazil	<b>100%</b>	51%
Tech Mahindra ICT Services (Malaysia) SDN. BHD. [Refer note 28 (A) (v)]	Malaysia	<b>100%</b>	100%
FixStream Networks Inc. and its 100% subsidiary	U.S.A.	<b>73.9%</b>	75%
• Quexa Systems Private Limited	India	<b>73.9%</b>	75%
TechM Canada Inc. [refer note no. 28 (B) (i)]	Canada	<b>100%</b>	100%
Mahindra Technologies Services Inc.	U.S.A.	<b>100%</b>	100%
Mahindra Engineering Services (Europe) Limited	U.K.	<b>100%</b>	100%
Mahindra Engineering GmbH [Refer note no. 28 (A) (xii)]	Germany	<b>100%</b>	100%
Tech Mahindra (Americas) Inc. (TMA) and its following subsidiaries: [Refer note no. 28 (A) (xiii)]	U.S.A.	<b>100%</b>	100%
• Tech Talenta Inc. (TTI)	U.S.A.	<b>100%</b>	100%
• Tapio INC. [Refer note no 28 (B) (iv)]	U.S.A.	<b>100%</b>	100%
• Lightbridge Communications Corporation and its subsidiaries	U.S.A.	<b>100%</b>	100%
• LCC Deployment Services Inc.	U.S.A.	<b>100%</b>	100%
• LCC Design Services, Inc.	U.S.A.	<b>100%</b>	100%
• LCC International, Inc.	U.S.A.	<b>100%</b>	100%
• LCC Wireless Services, Inc.	U.S.A.	<b>100%</b>	100%
• Lightbridge Middle East Holdings, Inc.	U.S.A.	<b>100%</b>	100%
• Lightbridge North America Holdings, Inc.	U.S.A.	<b>100%</b>	100%
• LCC Service Belgium NV	Belgium	<b>100%</b>	100%

<b>Name of Company</b>	<b>Country of Incorporation</b>	<b>Extent of holding</b>	
		<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
• LCC Middle East FZ-LLC	UAE	<b>100%</b>	100%
• LCC Engineering & Deployment Services Misr, LTD	Egypt	<b>100%</b>	100%
• LCC France SARL	France	<b>100%</b>	100%
• LCC Telecom GmbH	Germany	<b>95%</b>	95%
• LCC Design & Deployment Services Ltd.	Greece	<b>100%</b>	100%
• LCC India Private Limited	India	<b>100%</b>	100%
• LCC Italia S.R.L.	Italy	<b>100%</b>	100%
• LCC Saudi Telecom Services, Ltd.	Saudi Arabia	<b>100%</b>	100%
• LCC Central America de Mexico, SA de CV	Mexico	<b>100%</b>	100%
• LCC Wireless Communications Services Marox, SARLAU	Morocco	<b>100%</b>	100%
• LCC Acquisition Holdings B.V.	Netherlands	<b>100%</b>	100%
• LCC Europe Cooperatief U.A.	Netherlands	<b>100%</b>	100%
• LCC Europe Holdings, BV	Netherlands	<b>100%</b>	100%
• LCC Installation & Services Professionals BV	Netherlands	<b>95%</b>	95%
• LCC Installation & Services Projects BV	Netherlands	<b>95%</b>	95%
• LCC Network Services, B.V.	Netherlands	<b>95%</b>	95%
• LCC North Central Europe, B.V.	Netherlands	<b>100%</b>	100%
• LCC Projects BV	Netherlands	<b>95%</b>	95%
• LCC Professionals, B.V.	Netherlands	<b>95%</b>	95%
• LCC Telecom Infra Professionals BV	Netherlands	<b>95%</b>	95%
• LCC Telecom Infra Projects BV	Netherlands	<b>95%</b>	95%
• LCC Muscat LLC	Oman	<b>100%</b>	100%
• LCC Pakistan Private Ltd	Pakistan	<b>100%</b>	100%
• LCC Networks Poland Sp.z.o.o	Poland	<b>100%</b>	100%
• Light Bridge Communications Corporation LLC	Qatar	<b>95%</b>	95%
• LCC Wireless Communications Espana, SA	Spain	<b>100%</b>	100%
• LCC Telekomunikasyon Servis Limited	Turkey	<b>100%</b>	100%
• LCC Deployment Services UK, Ltd.	U.K.	<b>100%</b>	100%
• LCC United Kingdom, Ltd.	U.K.	<b>100%</b>	100%
• LCC Wireless Engineering Services, Ltd.	U.K.	<b>100%</b>	100%
• Merlin Projects, Ltd.	U.K.	<b>100%</b>	100%
• Leadcom Integrated Solutions USA Inc. [Refer 29 (A) (i)]	U.S.A.	-	100%
• Leadcom S.A.	Argentina	<b>100%</b>	100%
• Leadcom Bolivia S.R.L.	Bolivia	<b>100%</b>	100%
• Leadcom Integrated Solutions Tchad SARL	Chad	<b>100%</b>	100%
• Leadcom Telecommunicaciones de Chile S.A. [refer note 29 (A) (iii)]	Chile	-	100%
• Leadcom de Colombia S.A.	Colombia	<b>100%</b>	100%
• Leadcom DRC SARL	Congo	<b>100%</b>	100%
• Leadcom del Ecuador S. A.	Ecuador	<b>100%</b>	100%
• Leadcom Integrated Solutions (SPV) SAS	France	<b>100%</b>	100%
• Leadcom Gabon S.A.	Gabon	<b>100%</b>	100%

<b>Name of Company</b>	<b>Country of Incorporation</b>	<b>Extent of holding</b>	
		<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
• STA Gabon	Gabon	<b>100%</b>	100%
• Leadcom Ghana Limited	Ghana	<b>100%</b>	100%
• Leadcom Guatemala*	Guatemala	<b>100%</b>	100%
• Leadcom Integrated Solutions (L.I.S.) Ltd	Israel	<b>100%</b>	100%
• Societe de Telecommunications Africaine (STA) Abidjan	Ivory Coast	<b>100%</b>	100%
• Leadcom Integrated Solutions Kenya Limited	Kenya	<b>100%</b>	100%
• Leadcom Mexico S.A. de C.V.	Mexico	<b>100%</b>	100%
• Leadcom Integrated Solutions Myanmar Co., Ltd	Myanmar	<b>100%</b>	100%
• Leadcom EMEA B.V.	Netherlands	<b>100%</b>	100%
• LeadCom Integrated Solutions International B.V.	Netherlands	<b>100%</b>	100%
• Leadcom Panama S.A.	Panama	<b>100%</b>	100%
• Leadcom Peru S.A.C.	Peru	<b>100%</b>	100%
• Leadcom Integrated Solutions Rwanda Ltd	Rwanda	<b>100%</b>	100%
• STA Dakar	Senegal	<b>100%</b>	100%
• Leadcom Integrated Solutions Tanzania Ltd	Tanzania	<b>100%</b>	100%
• Leadcom Uganda Limited	Uganda	<b>100%</b>	100%
• Coniber S.A.	Uruguay	<b>100%</b>	100%
• Leadcom Telecommunicacoes Costa Rica S.A.	Costa Rica	<b>100%</b>	100%
• LCC Wireless Design Services, Inc. [refer note 29 (A) (i)]	U.S.A.	-	100%
• LCC Diseno y Servicios Chile [refer note 29 (A) (i)]	Chile	-	100%
• Burgundy Holding Corporation [refer note 29 (A) (i)]	U.S.A.	-	100%
• Wireless Facilities International, Ltd. [refer note 29 (A) (i)]	U.K.	-	100%
• Opticore EMA, LLC [refer note 29 (A) (i)]	U.S.A.	-	100%
• Opticore Holdings, Inc [refer note 29 (A) (i)]	U.S.A.	-	100%
• Opticore Networks, Inc. [refer note 29 (A) (i)]	U.S.A.	-	100%
• Opticore Networks EMA, LLC [refer note 29 (A) (i)]	U.S.A.	-	100%
• LCC Diseno y Servicios Argentina, SRL [refer note 29 (A)(i)]	Argentina	-	100%
• LCC do Brasil Ltda. [refer note 29 (A) (ii)]	Brazil	-	100%
• LCC Colombia LTDA [refer note 29 (A) (i)]	Colombia	-	100%
• LCC Diseno y Servicios de RED Peru S.R.L [refer note 29 (A) (ii)]	Peru	-	100%
• LCC Wireless Services Canada, Inc [refer note 29 (A) (i)]	Canada	-	100%
• LCC Middle East Holdings, B.V. [refer note 29 (A) (i)]	Netherlands	-	100%
Sofgen Holdings Limited and its subsidiaries :	Cyprus	<b>100%</b>	100%
• Sofgen Americas Inc	U.S.A.	<b>100%</b>	100%
• Sofgen Services Limited	Cyprus	<b>100%</b>	100%
• Sofgen Limited	Cyprus	<b>100%</b>	100%
• Sofgen (UK) Limited	U.K.	<b>100%</b>	100%
• SC Compania Sofgen SRL [refer note 29 (A) (ii)]	Romania	-	100%
• Sofgen Luxembourg SARL	Luxembourg	<b>100%</b>	100%
• Sofgen Ireland Limited	Ireland	<b>100%</b>	100%

<b>Name of Company</b>	<b>Country of Incorporation</b>	<b>Extent of holding</b>	
		<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
• Sofgen SA	Switzerland	<b>100%</b>	100%
• Sofgen Consulting AG	Switzerland	<b>100%</b>	100%
• Sofgen SaveTax S.A	Switzerland	<b>100%</b>	100%
• Sofgen SA	Bahamas	<b>100%</b>	100%
• Sofgen Africa Limited	Kenya	<b>100%</b>	100%
• Sofgen West Africa Limited	Ghana	<b>100%</b>	100%
• Sofgen India Private Limited	India	<b>100%</b>	100%
• Sofgen SDN. BHD.	Malaysia	<b>100%</b>	100%
• Sofgen Services Pte. Ltd.	Singapore	<b>100%</b>	100%
• Sofgen Australia Pty Limited	Australia	<b>100%</b>	100%
Tech Mahindra DRC SARLU [refer note 28 (A) (i)]	Congo DRC	<b>100%</b>	100%
Nth Dimension Ltd [refer note 28 (A) (ii)]	U.K.	<b>86.50%</b>	-
Tech Mahindra Arabia Limited [(refer note 28 (A) (vi)]	Saudi Arabia	<b>51%</b>	-
Tech Mahindra Netherlands B.V. [(refer note 28 (A) (x)]	Netherlands	<b>100%</b>	-
Tech Mahindra Growth Factories Limited [(refer note 28 (A) (ix)]	India	<b>100%</b>	-
Tech Mahindra France SAS [(refer note 28 (A) (viii)]	France	<b>100%</b>	-
Tech Mahindra Sweden AB [Refer note 28 (A) (xi)]	Sweden	<b>100%</b>	-

\*w.e.f May 15, 2015 Servicios Integrales de Telecommunicaciones Y Obras Civiles, Sociedad Anonima has been renamed as Leadcom Guatemala

## ii. Investment in Associates:

<b>Name of Company</b>	<b>Country of Incorporation</b>	<b>Extent of holding</b>	
		<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
Avion Networks, Inc.	U.S.A.	<b>30%</b>	30%
SARL Djazatech	Algeria	<b>49%</b>	49%
EURL LCC UK Algerie	Algeria	<b>49%</b>	49%
IQS Information Solutions WLL [Refer Note 28 (A) (iii)]	Qatar	<b>20%</b>	-

## 28. A. Acquisitions / Additional Investments in entities

- On March 30, 2015, Company had incorporated 100% subsidiary as Tech Mahindra DRC SARLU in Congo DRC. During the year ended March 31, 2016, the Company has made an investment of USD 0.1 Million (₹ 6 Million).
- On May 15, 2015, Company had incorporated a subsidiary Nth Dimension Ltd in United Kingdom with a stake of 86.50%. During the year ended March 31, 2016, the Company has infused share capital of GBP 8.65.
- The Company has entered into a joint venture agreement dated April 25, 2015 with "Qatar Engineering Trading and Contracting Company" and "KPC Aurion Holding WLL" in an incorporated entity namely IQS Information Solutions WLL in Qatar. The Company holds minority stake in this entity and has infused USD 0.02 Million (₹ 1 Million) in IQS Information Solutions WLL during the year ended March 31, 2016. The Company has classified its investment in IQS Information Solutions WLL as investment in associate.

- iv) During the year ended March 31, 2016, the Company has infused additional share capital USD 5.69 Million (₹ 379 Million) in its 100% subsidiary Tech Mahindra Servicos De Informatica LTDA.
- v) During the year ended March 31, 2016, the Company has infused additional share capital of RM 10 Million (₹ 159 Million) in its 100% Subsidiary Tech Mahindra ICT Services (Malaysia) SDN. BHD.
- vi) During the year ended March 31, 2016, Company had incorporated a subsidiary Tech Mahindra Arabia Limited in Saudi Arabia wherein the Company holds controlling stake i.e. 51% equity. The Company has infused SAR 0.51 Million (₹ 9 Million) in Tech Mahindra Arabia Limited.
- vii) During the year ended March 31, 2016, the Company has infused additional share capital of USD 0.37 Million (₹ 24 Million) in its 100% subsidiary Satyam Computer Services De Mexico S.DE R.L.DE C.V. Further, the name of Satyam Computer Services De Mexico S.DE R.L.DE C.V was changed to Tech Mahindra De Mexico S.DE R.L.DE C.V.
- viii) During the year ended March 31, 2016, the Company formed a 100% subsidiary in France namely Tech Mahindra France SAS. The Company infused EUR 0.1 Million (₹ 7 Million) in share capital of Tech Mahindra France SAS.
- ix) The Company formed a 100% subsidiary in India namely Tech Mahindra Growth Factories Limited. The Company infused ₹ 98 Million in share capital of Tech Mahindra Growth Factories Limited.
- x) During the year ended March 31, 2016, the Company formed a 100% subsidiary in Netherlands namely Tech Mahindra Netherlands B.V. The Company infused EUR 0.05 Million (₹ 3 Million) in the share capital of Tech Mahindra Netherlands B.V.
- xi) During the year ended March 31, 2016, the Company has infused SEK 0.05 Million (₹ 0.4 Million) in Tech Mahindra Sweden AB (a 100% Subsidiary of the Company) and its incorporation is under process.
- xii) During the year ended March 31, 2016, as per the notarized merger order, Mahindra Engineering GmbH was merged with Tech Mahindra GmbH w.e.f. April 1, 2015. Tech Mahindra Limited and Mahindra Engineering Services (Europe) Limited are shareholders of Mahindra Engineering GmbH holding 84% and 16% respectively.

As per the merger order, all assets and liabilities with duties and obligations are transferred to Tech Mahindra GmbH and the shareholders of Mahindra Engineering GmbH to waive off their rights. The Company has already provided for its investment in Mahindra Engineering GmbH during the previous years. The Company is in process of applying to RBI for the approval of write off for the said investment in the books of accounts.

- xiii) During the year ended March 31, 2015 Tech Mahindra (Americas) Inc. (100% subsidiary of the company) had 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). During the year ended March 31, 2016, Tech Mahindra (Americas) Inc. received back an amount of USD 6 Million (₹ 395 Million) as a final adjustment against the purchase price and the necessary adjustment has been made to the goodwill arising on consolidation.
- xiv) On April 30, 2015, Comviva Technologies Limited has incorporated 100% subsidiary as Comviva Technologies B.V. in Netherlands.
- xv) On July 3, 2015, Comviva Technologies Limited has incorporated 100% subsidiary as Terra Payment Services (Netherlands) BV in Netherlands.

## 28. B. Entities incorporated but operations not commenced

- i. During the year ended March 31, 2015, the Company had 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, 2016 nor has commenced its operations.

- ii. Comviva Technologies Limited has acquired 100% stake in a Company in South Africa namely Terra Payment Services South Africa (PTY) Ltd. As on March 31, 2016 the said subsidiary has not commenced its operations.
- iii. On December 16, 2015 a new 100% subsidiary Mobex Money Transfer Services Limited was incorporated in Kenya under Terra payment services (Netherlands) BV. There has been no capital infusion and no business transacted as at March 31, 2016.
- iv. On February 29, 2016 a new 100% subsidiary Tapio INC. was incorporated in U.S.A under Tech Mahindra (Americas) Inc. There has been no capital infusion and no business transacted as at March 31, 2016.
- v. On February 24, 2016, Terra Payment Services (Netherlands) BV has incorporated 100% subsidiary as Terrapay Services (UK) Limited in United Kingdom. There has been no capital infusion and no business transacted as at March 31, 2016.
- vi. On March 10, 2016, Terra Payment Services (Netherlands) BV has incorporated 100% subsidiary as Terra Payment Services (Tanzania) Limited in Tanzania. There has been no capital infusion and no business transacted as at March 31, 2016.
- vii. On March 11, 2016, Terra Payment Services (Netherlands) BV has incorporated 100% subsidiary as Terra Payment Services (Uganda) Limited in Uganda. There has been no capital infusion and no business transacted as at March 31, 2016.

**29. A. Disinvestments in / Liquidations of entities:**

- i) During the year ended March 31, 2016, following entities (100% subsidiaries of Lightbridge Communications Corporation) have been closed/liquidated/dissolved and no transactions were entered into with these subsidiaries during the year ended March 31, 2016.

<b>Name of Entities</b>
Opticore Holdings, Inc
Opticore Networks, Inc.
Opticore Networks EMA, LLC
Opticore EMA, LLC
LCC Diseno y Servicios Argentina, SRL
Burgundy Holding Corporation
LCC Wireless Design Services, Inc
Wireless Facilities International Ltd
LCC Wireless Services Canada, Inc
LCC Middle East Holdings, B.V.
LCC Colombia LTDA
Leadcom Integrated Solutions USA Inc.
LCC Diseno y Servicios Chile

- ii) During the year ended March 31, 2016 following entities (100% subsidiaries of Lightbridge Communications Corporation) and Sofgen Holdings Limited had applied for liquidation and the same is under process.

<b>Name of Entities</b>
LCC do Brasil LTDA
SC Compania Sofgen SRL
LCC Diseno y Servicios de RED Peru S.R.L

- iii) With effect from December 31, 2015, 100% stake of Leadcom Telecommunicaciones de Chile S.A. (a 100% subsidiary of Lightbridge Communications Corporation) has been disinvested for a consideration of EUR 0.001 Million (₹ 0.08 Million).

#### **29. B. Liquidated - R.B.I approval pending**

- i) During the year ended March 31, 2016 Satyam Colombia Servicios DE Informatica SAS (100% subsidiary of Tech Mahindra Servicos DE Informatica LTDA) had applied for liquidation. With effect from February 15, 2016 Satyam Colombia Servicios DE Informatica SAS has been liquidated.
- ii) 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 Belgium on September 17, 2014. On liquidation, the Company has received ₹ 328 Million (EUR 4.23 Million) as proceeds of liquidation. The Company's value of investment in the said entity (net of provision) before the liquidation was ₹ 316 Million. Therefore excess proceeds of ₹ 12 Million have been accounted under sundry balance written back under other income. The Company has applied to RBI for approval to write off the said investment. The Company is awaiting for approval and hence the investments and provision for investments are not knocked off.
- iii) 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. With effect from June 25, 2015 Satyam Computer Services (Egypt) S.A.E has been liquidated.
- iv) 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, 2016.

#### **30. A. Following entities have not been considered for consolidation**

<b>Name of Company</b>	<b>Country of Incorporation</b>	<b>Extent of Holding (%) as on March 31, 2016</b>
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. B. Following subsidiaries are not considered for consolidation as they are closed in their respective countries and only RBI approval for the same is awaited**

<b>Name of Company</b>	<b>Country of Incorporation</b>
Satyam (Europe) Limited	U.K.
Vision Compass Inc.	USA
Satyam Computer Services (Egypt) S.A.E[refer note 29 (B) (iii)]	Egypt
Nitor Global Solutions Limited [refer note 29 (B) (iv)]	U.K.

**31. Commitment and Contingencies**

**31.1 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, 2016 is **₹ 2,800 Million** (March 31, 2015: ₹ 5,947 Million).
- ii. In respect of land refer note 36 (iii).

**31.2 Purchase commitments in respect of investments**

- i. The Company, pursuant to share purchase agreement dated January 8, 2015, had 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) was paid upfront and balance amount of USD 10 Million being contingent on achieving agreed performance based milestones will be payable based on the performance of Sofgen for calendar year 2015 (USD 6 Million) and 2016 (USD 4 Million). For calendar year 2015 only (USD 1 Million) is payable towards earn out consideration based on achieved performance based milestones.
- ii. 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. had 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 will be payable in calendar year 2016 on achievement of mutually agreed milestones. Post the payment, one nominee of the Company has been appointed on the board of Avion Networks Inc.
- iii. 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) had 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 was paid up front, the balance BRL 8 Million which was payable as on December 31, 2015 was paid during current quarter ended March 31, 2016 and the balance BRL 13 Million is payable by December 31, 2016.
- iv. The Company had received an 'In-principle' approval to set up a 'Payments bank' from Reserve Bank of India (RBI) on September 07, 2015. The proposed Payments bank was intended to be set up as an independent Company licensed under Section 22 of the Banking Regulation Act, 1949 with equal equity contribution from the Company and Mahindra and Mahindra Financial Services Limited (MMFSL). The Board has now decided not to pursue this opportunity.
- v. During the year ended March 31, 2016, the Company has paid ₹ 132 Million with respect to 'Revenue Linked Earnout Consideration' to erstwhile shareholders of Comviva Technologies Limited as per the terms of Share Purchase agreement.
- vi. During the year ended March 31, 2016, the Company entered into a subscription agreement for a Limited Partnership interest with a USA based fund namely Northgate FinTech Innovations Partners, L.P

(Northgate). The Company would invest upto USD 40 Million (₹ 2,667 Million) as a strategic investment as a limited partner in Northgate. Northgate is a venture capital fund which invests primarily in securities issued by companies with primary business focus of development of technological solutions for financial institutions. As of date, the Company has not made any investment in this fund.

- vii. On December 14, 2015, the Company jointly with Mahindra & Mahindra entered into an agreement with Pincar S.r.l., to purchase a controlling stake in Pininfarina S.p.A., an iconic Italian brand in automotive and industrial design. As per the agreement, the Company and Mahindra and Mahindra would purchase 76.06% stake in Pininfarina at a price of Euro 1.1 per share, subject to regulatory approvals. The total cost of acquisition for the Company would be EUR 15.18 Million (₹ 1,094 Million). The said acquisition is expected to be concluded by June 2016. This acquisition would be through a joint venture in which the Company and Mahindra and Mahindra Limited would hold in the ratio of 60:40.
- viii. On January 22, 2016, Comviva Technologies B.V. (a wholly owned subsidiary of the Comviva) entered into an agreement to acquire 100% equity control in ATS Advanced Technologies Solutions SA ("ATS – AR") and ATS Advanced Technology Solutions do Brasil, Industria, Comercio, Importacao y Exportacao LTDA("ATS – BR") in Argentina and Brazil respectively for a consideration of USD 4.65 million (₹ 314 million) subject to agreed terms and conditions. On fulfillment of agreed terms and conditions, 'ATS – AR' & 'ATS – BR' became wholly owned subsidiaries of Comviva Technologies B.V w.e.f February 1, 2016.

As per the agreement, the initial purchase consideration of USD 1.05 million (₹ 70 million) has been paid and balance is payable through the Escrow Account in tranches of USD 0.90 million in each successive years commencing from December 31, 2016 till December 31, 2019.

- ix. 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 for December 31, 2014 was not met and hence not provided for.
- x. 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 33.67 Million. As per purchase agreement, LCC BV paid upfront payment of USD 22.77 Million and balance payable in 24 equal installment of USD 0.41 Million per month starting from October 1, 2014. Accordingly, the total liability as at the March 31, 2016 is USD 3.42 Million (Equivalent to ₹ 227 Million)

### **31.3 Other commitments**

The Company has outstanding commitments with respect to discharge of services to an international sports federation amounting to ₹ 30 Million as at March 31, 2016 (March 31, 2015: ₹ 27 Million).

### **31.4 Contingent Liabilities**

- (a) Bank Guarantees/corporate guarantee outstanding as at March 31, 2016 ₹20,245 Million (March 31, 2015: ₹ 10,313 Million).  
(The above includes corporate guarantees of USD 138 Million: ₹ 9,110 Million, (March 31, 2015 USD 40 Million: ₹ 2,500 Million) given to the bankers of two group companies for loan taken by them.)
- (b) During the year ended March 31, 2016 the Company has given letter of support of ₹ Nil (March 31, 2015 USD 51 Million: ₹ 3,187 Million) to banks for loans availed by Lightbridge Communications Corporation (100% subsidiary of the Company).

- (c) The Company has given letter of comfort of USD 25 Million (₹ 1,656 Million) to bank for loans availed by Comviva Technologies B.V. (100% subsidiary of Comviva Technologies Limited). (March 31, 2015: USD Nil (₹ Nil)).
- (d) Outstanding Bill discounting as at March 31, 2016 ₹ 1,301 Million (March 31, 2015: ₹ 2,696 Million).

**31.5 Contingent Liabilities in respect of Income Taxes/ Service Tax/ Value Added Tax and International Tax**

<b>Nature of dues</b>	<b>Pertaining to</b>	<b>Period</b>	<b>Grounds of Dispute</b>	<b>Amount in ₹ Million</b>
Income-tax	TechM	2003-2004 to 2005-2006	Adjustment of Expenditure in foreign currency and telecommunication expenditure in Export Turnover for 10 A / 10 AA deduction.	<b>423</b> [423]
Income-tax	TechM	2006-2007	1. Adjustment of Expenditure in foreign currency and telecommunication in Export Turnover for 10 A / 10 AA deduction. 2. Transfer Pricing adjustment on account of Interest adjustment on borrowings and Imputed interest on upfront discount payment.	<b>2,846</b> [2,846]
Income-tax	TechM	2007-2008 to 2011-2012	1. Disallowance U/s 14A r.w.r 8D, 2. Disallowance on depreciation claimed for intangible asset, 3. Transfer pricing adjustment on account of interest on Loan and transaction fee	<b>1,543</b> [1,133]
Income-tax	TechM	2005-2006	Fringe benefit tax on travelling expenses.	<b>16</b> [16]
Income-tax	Erstwhile TMRD	2004-2005 to 2007-2008	1 Adjustment of Expenditure in foreign currency and telecommunication in Export Turnover for 10 A / 10 AA deduction. 2. Set off of business loss of taxable units against the income of exempt units disallowed 3. Software expenses considered as capital expenditure. 4. Disallowance u/s 14A r.w.r 8D and 5. Transfer Pricing adjustment on account of Arm's Length issue	<b>100</b> [100]
Income-tax	Erstwhile iPolicy	2005-2006	Transfer Pricing Adjustment on account of Arm's Length issue	<b>4</b> [4]
Income-tax	Erstwhile CanvasM	2007-2008 to 2009-2010	Transfer Pricing adjustment made in respect of onsite software development and delivery of software solution work.	<b>103</b> [103]
Income-tax	Erstwhile CanvasM	2007-2008	Penalty on Transfer Pricing adjustment.	<b>1</b> [1]
Income-tax	Erstwhile CanvasM	2010-2011	Transfer Pricing adjustment made in respect of onsite software development and delivery of software solution work.	<b>66</b> [37]
Income-tax	Erstwhile MESL	2005-2006	1. Software expenses considered as Capital Expenditure. 2. Disallowance of 10A deduction for STPI unit.	<b>9</b> [9]

<b>Nature of dues</b>	<b>Pertaining to</b>	<b>Period</b>	<b>Grounds of Dispute</b>	<b>Amount in ₹ Million</b>
Income-tax	Erstwhile MESL	2006-2007	1. Business Development expenses considered as Capital Expenditure. 2. Disallowance u/s 14A r.w.r. 8D. 3. Disallowance of 10A deduction for STPI unit.	<b>80</b> [80]
Income-tax	Erstwhile MESL	2007-2008	1. Disallowance of 10A deduction for STPI unit. 2. Disallowance u/s 14A r.w.r. 8D. 3. Disallowance of Capital expenditure debited to P&L.	<b>46</b> [46]
Income-tax	Erstwhile MESL	2008-2009	1. Foreign Exchange Fluctuation loss considered as contingent in nature. 2. Disallowance u/s 14A r.w.r. 8D 3. Disallowance of Capital expenditure debited to P&L 4. Disallowance of Set off claimed for business loss and Unabsorbed depreciation	<b>134</b> [134]
Income-tax	Erstwhile MESL	2009-2010 to 2012-2013	1. Foreign Exchange Fluctuation loss considered as contingent in nature. 2. Disallowance of 10A / 10 AA deductions 3. Disallowance u/s 14A r.w.r. 8D 4. Disallowance of ESOP expenses	<b>114</b> [95]
Income-tax	Erstwhile MSat	2001-2002 to 2007-2008	Petition filed in High Court against CBDT order dated July 11, 2011 on correct quantification of income by excluding fictitious revenue and interest.	<b>3,333</b> [3,333]
Income-tax	Erstwhile MSat	2001-2002	Transfer Pricing adjustment and various variations to the total income	<b>7,948</b> [7,948]
Income-tax	Erstwhile MSat	2006-2007	Transfer Pricing adjustment and various variations to the total income	<b>10,329</b> [10,329]
Income-tax	Erstwhile MSat	2007-2008	Disallowance of Sub-contracting charges	<b>3</b> [-]
Income-tax	Erstwhile BPO	2005-2006, 2010-2011 and 2012-2013	1. Disallowance of travelling and conveyance expenses. 2. Disallowance of prior period expenses 3. Disallowance of expenses due to non-deduction of TDS	<b>56</b> [-]
Income-tax	TMBSL	2007-2008	Income tax order on account of 1. Transfer Pricing Adjustment. 2. Disallowance of deduction under section 10 A.	<b>80</b> [80]
Income-tax	TMBSL	2008-2009	Income tax order on account of 1. Transfer Pricing Adjustment. 2. Disallowance of deduction under section 10 A.	<b>498</b> [498]
Income-tax	TMBSL	2009-2010	Income tax order on account of 1. Transfer Pricing Adjustment. 2. Disallowance of deduction under section 10 A.	<b>565</b> [383]
Income-tax	TMBSL	2010-2011	Income tax order on account of 1. Transfer Pricing Adjustment. 2. Disallowance of deduction under section 10 A.	<b>257</b> [-]
Income-tax	SVES	2003-2004 to 2010-2011	The demands related to deductibility of expenditure, transfer pricing matters and exemptions u/s 10A	<b>137</b> [126]

<b>Nature of dues</b>	<b>Pertaining to</b>	<b>Period</b>	<b>Grounds of Dispute</b>	<b>Amount in ₹ Million</b>
Income-tax	CTL	2004-2005	Disallowance u/s 10A deduction (INR 1.5 Million paid under protest against said demand)	<b>3</b> [3]
Income-tax	CTL	2005-2006	Demand from Income tax authorities mainly on account of disallowance under section 10 A.	<b>2</b> [2]
Income-tax	CTL	2006-2007	Demand from Income tax authorities mainly on account of disallowance under section 10 A. (INR 2 Million paid under protest against the said demand)	<b>3</b> [3]
Income-tax	CTL	2006-2007	Disallowance under Section 14A	<b>1</b> [1]
Income-tax	CTL	2014-2015	Consultancy payments deemed as payment to employees and levied tax	<b>15</b> [13]
Income-tax	CTL	2011-2012	Short grant of TDS credit, MAT credit and Foreign tax credit.	<b>134</b> [-]
Income-tax	CTNL	2010-2011 to 2011-2012	1. Disallowance of unsubstantiated cost allocation, cost of goods sold, legal and professional fees, business promotion expenses and Pre-operational cost. 2. WHT on vendor payment; 3. VAT liability on unbilled expenses 4. National Information technology Dev. Levy	<b>17</b> [-]
Income-tax	LCC	2007-2010	Preliminary assessment order received from welfare authority of kingdom of Saudi Arabia for payment of value of income tax, fine and ZAKAT. LCC Saudi Branch has filed appeal for the said order with Higher Appellate Committee for year 2007-10 and decision is awaited (USD 3.28 Million).	<b>218</b> [205]
Income-tax	LCC	2011-2013	Additional tax liability has been demanded by DZIT of Saudi Arabia (USD 2.1 Million).	<b>139</b> [-]
Income-tax	LCC	2010	Demand has been raised by Deputy commissioner of Pakistan (USD 0.07 Million)	<b>5</b> [-]
Income-tax	LCC	2013	Demand has been raised by Deputy commissioner of Pakistan (USD 0.07 Million)	<b>4</b> [-]
Income-tax	LCC	2008 -2009	Office of the Inland Revenue Pakistan has raised demand (USD 0.03 Million).	<b>2</b> [-]
<b>Total Contingent Liability for Income-tax</b>				<b>29,234</b> [27,951]
Service Tax	TechM	2003-2004 to 2006-2007	Notice for services provided under Management Consultancy services by the Company.	<b>13</b> [13]
Service Tax	TechM	2008-2009 to 2009-2010	Onsite services provided by overseas subsidiaries/ branches are not considered as export of service.	<b>224</b> [224]
Service Tax	TechM	2008-2009 to 2009-2010	Recovery of Interest on service tax refund.	<b>146</b> [146]
Service Tax	TechM	Feb 2009	Short payment of service tax on account of rate change.	<b>12</b> [12]
Service Tax	TechM	May 2008 to July 2013	Onsite services rendered by overseas branches considered as import of service.	<b>12,753</b> [12,753]

<b>Nature of dues</b>	<b>Pertaining to</b>	<b>Period</b>	<b>Grounds of Dispute</b>	<b>Amount in ₹ Million</b>
Service Tax	TechM	July 2012 to March 2014	1. Onsite services provided by overseas subsidiaries/ branches are not considered as export of service. 2.Disallowance of Cenvat credit for service tax paid under reverse charge mechanism related to overseas branches.	<b>3,032</b> [894]
Service Tax	TechM	2008-2012	1. Tax on exchange fluctuation gain, subscription charges 2.Disallowance of Cenvat credit related to work contract.	<b>35</b> [-]
Service Tax	TechM	2013-2014	Disallowance of Cenvat credit on Insurance services.	<b>7</b> [-]
Service Tax	Erstwhile TMRD	2004-2005 to 2007-2008	Tax on Marketing services provided by overseas subsidiaries.	<b>77</b> [77]
Service Tax	Erstwhile MSat	March 2005 to March 2011	Disallowance of Cenvat credits related to employee insurance, catering services, housekeeping services, health and fitness services, event management services.	<b>389</b> [389]
Service Tax	Erstwhile CanvasM	2007- 2011	Onsite services rendered by overseas subsidiaries considered as import of service.	<b>192</b> [180]
Service Tax	Erstwhile MESL	2007-2014	Disallowance of Cenvat credit related to services utilized in Software Technology Park/Special Economic Zone.	<b>77</b> [-]
Service Tax	Erstwhile BPO	2006-2007 to 2010-2011	Tax on technical Services and telecommunication services received from foreign service providers.	<b>361</b> [-]
Service Tax	Erstwhile BPO	2011 to 2013	1. Tax on technical services provided outside India 2. Tax on Telecommunication services received from foreign service providers.	<b>10</b> [-]
Service Tax	Erstwhile BPO	2009-2012	Services provided to parent (TechM) company considered as deemed export.	<b>215</b> [-]
Service Tax	TMBSL	2007-2008 to 2012-13	The Company 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.	<b>32</b> [32]
Service Tax	SVES	2007-2008 to 2013-2014	Non-payment of service tax on Foreign Remittances including cesses (Payable on reverse charge basis)	<b>60</b> [10]
Service Tax	Comviva	2004 to 2008	1. Taxability of service provided by company as business support Service and Supply and development of Content service 2. Non-payment of service tax on reverse charge on Import of Services 3. Non payment of Service tax on maintenance service of software 4. Availment of Cenvat Credit on invoices addressed to non-registered premises. (Out of total demand of ₹ 407 million, ₹ 15 million being eligible cenvat credit has been set aside under protest.)	<b>407</b> [407]

<b>Nature of dues</b>	<b>Pertaining to</b>	<b>Period</b>	<b>Grounds of Dispute</b>	<b>Amount in ₹ Million</b>
<b>Total Contingent Liability for Service Tax</b>				<b>18,042</b> [15,137]
Customs	Erstwhile TMRD	2007-2008	Commissioner of Customs raised demand as imported capital goods were misplaced in the bonded company premises during physical verification conducted by Custom authorities.	<b>2</b> [2]
Customs	Erstwhile MESL	2006-2007	Demands from Customs for import of vehicle	<b>2</b> [2]
<b>Total Contingent Liability for Customs</b>				<b>4</b> [4]
Maharashtra - VAT	TechM	2008-2009	Disallowance of input credit due to mismatch with vendor vat return.	<b>5</b> [5]
Entry tax - Maharashtra	TechM	2008 to 2012	Entry Tax on interstate purchase and import of Air conditioner and part thereof and Tiles.	<b>42</b> [42]
Delhi VAT	TechM	2013-2014	Disallowance of input credit due to mismatch with vendor vat return.	<b>2</b> [-]
Tamil Nadu CST	TechM	2014-2015	Export of services considered as interstate sale.	<b>1,962</b> [-]
AP-GST/CST/ Penalty	Erstwhile MSat	2002-2003 to 2010-2011	Software development services considered as sale of goods. #	<b>421</b> [458]
Delhi Vat	Erstwhile MSat	2012-2013 to 2013-2014	Disallowance of input credit due to mismatch with vendor vat return.	<b>5</b> [5]
Gujarat - CST	Erstwhile C&S	2006-2007 to 2008-2009	High Sea Sale of Software licenses considered as local sale.	<b>12</b> [12]
UP-CST	Erstwhile CanvasM	2009-2010	Handset taken for testing purpose and returned back is considered as sale of Handset.	<b>1</b> [1]
UP-CST, Vat and Entry Tax	Erstwhile I policy	2008-2009	Entry tax on interstate purchase of computer.	<b>3</b> [-]
AP Vat - Tax and Penalty	Erstwhile TechM BPO	2007-2008 to 2010-2011	Disallowance of Input credit.	<b>2</b> [-]
VAT	TMBSL	2008-2009	Demand from the legal advisors of Rentworks India Private Limited (Rentworks) towards VAT tax dues raised by the VAT authorities on Rentworks for disallowing VAT exemptions claimed by Rentworks on rentals charged to the TMBSL for providing assets on lease during FY 2008-09	<b>14</b> [14]
<b>Total Contingent liability for VAT/CST/Entry Tax</b>				<b>2,469</b> [537]
Chad Tax Administration	TechM	Calendar Year 2012	Dispute on account of withholding taxes/ VAT/ Corporate tax.	<b>6</b> [4]
Pennsylvania State Income Tax	TechM	1988 – 2005	Non-filing of Income Tax returns	<b>5</b> [5]
Italian Tax	Erstwhile MESL	2008-2009	Taxes in connection with the purchase and subsequent sale of shares	<b>8</b> [8]
<b>Total Contingent Liability for International Tax</b>				<b>19</b> [17]

<b>Nature of dues</b>	<b>Pertaining to</b>	<b>Period</b>	<b>Grounds of Dispute</b>	<b>Amount in ₹ Million</b>
Telecom Disputes Settlement and Appellate Tribunal	TMBSL	2007-2008 to 2014-2015	DOT has raised a demand on the company claiming that the company has availed services of bandwidth link between two of its premises from other than authorized service providers. The company filed an appeal to the Telecom Disputes Settlement and Appellate Tribunal (TDSAT) against the said demand order and paid ₹ 21 million under protest.	<b>61</b> [61]
<b>Total Contingent liability for other matter</b>				<b>61</b> [61]

Figures in brackets "[ ]" are for the year ended March 31, 2015.

TechM	Tech Mahindra Limited
Erstwhile Tech M R & D	Tech Mahindra (R & D Services) Limited
Erstwhile iPolicy	iPolicy Networks Limited
Erstwhile CanvasM	CanvasM Technologies Limited
Erstwhile MESL	Mahindra Engineering Services Limited
Erstwhile MSat	Satyam Computer Services Limited
Erstwhile TechM BPO	Tech Mahindra BPO Limited
TMBSL	Tech Mahindra Business services Limited
CTL	Comviva Technologies Limited
CTNL	Comviva Technologies Nigeria Limited
LCC	Lightbridge Communications Corporation
SVES	Satyam Venture Engineering Services Private Limited

# The above excludes show cause notices relating to Tamil Nadu General sales tax Act, 1959 amounting to ₹ 4,555 Million (March 31, 2015 ₹ 4,555 Million) and Andhra Pradesh Value Added Tax Act, 2005 amounting to ₹ NIL (March 31, 2015 ₹ 2,717 Million) (including penalty).

### 31.5.1 Additional taxation matters

#### i. Petition before Hon'ble 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 aggregating to ₹ 6,170 Million 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 the petition and erstwhile Satyam filed a Special Leave Petition before the Hon'ble Supreme Court which directed erstwhile Satyam to file a comprehensive petition/representation before CBDT and to submit a Bank Guarantee (BG) for ₹ 6,170 Million which was complied by erstwhile Satyam.

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. Aggrieved by CBDT's Order, erstwhile Satyam filed a writ petition before the Hon'ble High Court of Judicature at Hyderabad on August 16, 2011.

The Hon'ble 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 encash the BG until further Orders. The BG has been extended upto October 16, 2016.

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 Hon'ble High Court of Judicature at Hyderabad that has granted a stay on the operation of the provisional attachment Order until disposal of this writ.

**ii. Appointment of Special Auditor and re-assessment proceedings**

- 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 DRP, Hyderabad, which is pending disposal.
- Consequent to the letter of erstwhile Chairman of the erstwhile Satyam, the Assessing Officer had commissioned special audits for the financial years 2001-02, 2002-03, 2006-07, 2007-08 and 2008-09 on various dates. Erstwhile Satyam had filed petitions before Hon'ble High Court of Judicature of Hyderabad challenging the special audits which are pending disposal.

**iii. Provision for taxation for years prior to amalgamation with the Company**

The erstwhile Satyam had accounted for provision for taxation for several prior years aggregating ₹ 4,989 Million (net of taxes paid) as at March 31, 2013 (before giving effect to its amalgamation with the Company), for which the assessments are under dispute.

Subsequent to the amalgamation of erstwhile Satyam with the Company, 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 aggregating ₹ 2,266 Million, has been written back during the year ended March 31, 2014. In the opinion of the Management the balance provision for taxation carried in the books is adequate.

- iv. During the year ended March 31, 2016, the Company has received the VAT refund from the Joint Commissioner of Commercial Tax, Bangalore for Karnataka Value Added Tax and Central Sales Tax amounting to ₹ 590 Million for the period pertaining to 2003-04 and 2004-05 and accordingly, the Company has written back the corresponding provision amounting to ₹ 319 Million, provided in an earlier year, as the same is no longer required.
- v. In November 2014, the Company has received a notice from Income-tax Department for filing of petition in Hon'ble High Court of Judicature at Hyderabad against the ITAT Order for financial year 1998-99. The Income-tax Department has raised a demand of ₹ 13 Million on account of dispute in treatment of foreign taxes payment treated as self-assessment tax thereby levying interest under section 234B and 234C. The Company has filed an objection citing the limitation of time (almost four years from the date of ITAT Order) which is pending hearing.
- vi. In October 2015, 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 2000-01. The Income-tax Department has raised a demand of ₹ 2 Million on account of dispute in treatment of foreign taxes payment treated as self-assessment tax, which is pending hearing.

**31.5.2 Matters relating to Leadcom.**

Leadcom de Colombia SA is the subject of an administrative tax audit in Colombia since 2010. The potential indirect to Leadcom exposure is about USD 0.3 Million (₹ 20 Million) and the probability for such exposure to materialize is estimated at 25%. Leadcom de Colombia is taking a legal action to vigorously defend itself against the potential exposure.

### 31.6 Other Claims on the Company not acknowledged as debt

- i. Alleged Advances: refer note 32.1.
- ii. Claims against erstwhile Satyam not acknowledged as debts ₹ **1,000 Million** and interest (March 31, 2015: ₹ 1,000 Million).
- iii. Claims made on the erstwhile Satyam by vendors, its employees and customers - ₹ **82 Million** (March 31, 2015: ₹ 82 Million).
- iv. Claims made on the Company not acknowledged as debts ₹ **107 Million** (March 31, 2015: ₹ 107 Million).
- v. Claim has been made on Comviva of ₹ **39 Million (equivalent USD. 0.6 Million)** (March 31, 2015: ₹ 37 Million equivalent USD. 0.6 Million) by a leading telecom customer in Africa. Comviva has issued a credit note of ₹ 19 Million (50% of the claim amount as an interim settlement) and provided for an amount of ₹ **10 Million** (March 31, 2015 ₹ 28 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)** (March 31, 2015 ₹ 15 Million equivalent KES 22 Million) by a leading telecom customer in Africa. Comviva has issued a credit note of ₹ 5 Million (30% of claim amount) as an interim settlement and the balance amount is shown under contingent liability.
- vii. Comviva has received demand from BSES, New Delhi amounting to ₹ **15 Million** (March 31, 2015: ₹ 15 Million) and from BESCOM, Bangalore amounting to ₹ **7 Million** (March 31, 2015: ₹ 7 Million).
- viii. Claim has been made on Comviva of ₹ **5 Million (KES 7 Million)** (March 31, 2015: ₹ Nil) by a leading telecom customer in Africa. Comviva believes that it is not liable for this claim and accordingly responded to the customer on November 19, 2015 to which Comviva has not received any reply as on March 31, 2016.
- ix. Claims not acknowledged as debts pending in arbitration ₹ **10 Million** (March 31, 2015 ₹ Nil).
- x. Other claims: ₹ **6 Million** (March 31, 2015: ₹ 6 Million) against which the erstwhile Satyam has paid an amount of ₹ 3 Million under protest.
- xi. Claims on erstwhile MESL for disputed stamp duty of ₹ **1 Million** (March 31, 2015 ₹ 1 Million) on sanction of credit facilities.
- xii. Claims on erstwhile MESL under Motor vehicle Act, 1988 ₹ **1 Million** (March 31, 2015: ₹ 1 Million).
- xiii. Dispute in relation to a subsidiary, refer note 37.
- xiv. Claims made on LCC by customers amounting to ₹ **80 Million (USD 1.2 Million)** (March 2015: ₹ Nil (USD Nil)) but not acknowledged as debts.
- xv. Claims made on the Company by vendors towards breach of contract amounting to ₹ **22 Million (SGD 0.4 Million)** (March 31, 2015: ₹ Nil) pending in arbitration.

### 31.7 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, 2016, which, in the opinion of the Management, is adequate to cover any probable losses in respect of the above litigations and claims. Refer note 53.

**32. Certain matters relating to erstwhile Satyam Computer Services Limited (erstwhile Satyam):**

In the letter dated January 7, 2009 Mr. B. Ramalinga Raju, the then Chairman of erstwhile Satyam, stated that the Balance Sheet of erstwhile Satyam as at September 30, 2008 carried 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 Serious Fraud Investigation Office (SFIO)/Registrar of Companies (ROC), Directorate of Enforcement (ED), Central Bureau of Investigation (CBI) had initiated investigations on various matters and conducted inspections and issued notices calling for information including from certain subsidiaries which have been responded to.

In 2009, SFIO initiated two proceedings against erstwhile Satyam for Companies Act violations which have since been compounded. On December 24, 2009, SFIO filed its report under Section 235 of the Companies Act before the Company Law Board (CLB) which stated that 'all these offences and violations relating to fraud have already been covered by CBI in its charge-sheet and a prosecution has been launched by CBI under various sections of Indian Penal Code in none of which erstwhile Satyam was made a party. Consequently, the CLB vide its further Order dated March 1, 2016 struck off the name of the Company from the array of respondent in the Company Petition filed by the Ministry of Company Affairs (MCA). There are no other proceedings initiated by SFIO/CLB against the Company and the Management does not expect any further proceedings or penal action in this regard.

On a FIR filed by one of the investors, the Andhra Pradesh Crime Branch, Crime Investigation Department (AP CB CID), Hyderabad started an investigation into the fraud in 2009, which was subsequently transferred to CBI, Hyderabad. In all, there were 3 separate complaints instituted by the CBI before the XIV Additional Chief Metropolitan Magistrate cum Special Sessions Court, Hyderabad (Special Court). By a common judgment dated April 9, 2015, the Special Court found the accused persons guilty and convicted them. The Company was not named as an accused in the proceedings and in the said judgment. Thus, in the opinion of the Management, the matter is closed so far as the Company is concerned and no further proceedings against the Company are envisaged in this regard.

Further, certain non-compliances/breaches of various laws and regulations by the erstwhile Satyam under the former Management (prior to Government nominated Board) were identified by various agencies 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, which have been responded to/appropriately addressed by the erstwhile Satyam/the Company and the Company does not expect any further proceedings in this regard.

On May 22, 2013, the ED had issued a show-cause notice to the erstwhile Satyam for contravention of provisions of the Foreign Exchange Management Act, 1999 (FEMA) for alleged non-repatriation of American Depository Receipts (ADR) proceeds aggregating USD 39.2 Million. The Company has responded to the ED's show-cause notice on March 28, 2014 and has not received any further communication in this regard.

The ED had also issued a show-cause notice to the erstwhile Satyam on April 28, 2011 for contravention of the provisions of FEMA and the Foreign Exchange Management (Realisation, Repatriation and Surrender of Foreign Exchange) Regulations, 2000, in respect of the non-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 has not received any further communication in this regard.

As per the assessment of the Management, based on the forensic investigation and the information available, 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 no new information has come to the Management's notice which requires adjustments to the financial statements. Further, as per above, the investigations have been completed and no new claims have been received which need any further evaluation/adjustment/disclosure in the books of account.

**Proceedings in relation to 'Alleged Advances':**

Pursuant to the aforesaid letter dated January 7, 2009, the erstwhile Satyam received letters from 37 companies seeking confirmation by way of acknowledgement of receipt of certain alleged amounts by the erstwhile Satyam (referred to as alleged advances). These letters were followed by legal notices from these companies dated August 4/5, 2009, claiming repayment of the alleged advances aggregating ₹ 12,304 Million stated to be given as temporary advances but without any evidence in support of the nature of these transactions. This is also borne out in the internal forensic investigation. The legal notices also claimed damages/compensation @18% per annum from the date of the advances till the date of repayment. The erstwhile Satyam has not acknowledged any liability to any of the 37 companies and has replied to the legal notices stating that the claims are legally untenable.

The 37 companies have 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, the pauper petition was converted into a suit which is pending disposal. The petitions filed by remaining 36 companies are before the Court, at various stages of rejection of pauperism/trial of pauperism/inquiry to condone the delay in applications. In one petition, the delay in submission of the petition has been condoned by the Court and the Company has obtained an interim stay Order from the Hon'ble High Court of Andhra Pradesh, which has remanded the matter to the lower Court directing to consider the application afresh. Lower Court upon hearing the application has condoned the delay in re-submission of pauper petition. The Company has challenged the said order in Revision before the High Court of Andhra Pradesh, which is pending hearing. In another development, Company has also filed a Revision against the orders of the Lower Court in the application filed by the Company to recall the Order in numbering the pauper petition as Original Petition. Hon'ble High Court has been pleased to stay the proceedings until further orders.

The Hon'ble High Court in its Order approving the merger of the erstwhile Satyam with the Company, further held that in the absence of Board resolutions and documents evidencing acceptance of unsecured loans, i.e. alleged advances, 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 disclosing them as creditors and in disclosing such amounts as 'Amounts pending investigation suspense account (net)' in the financial statements. The Hon'ble High Court held, inter-alia, that the contention of the 37 companies that Satyam is retaining the money, i.e. the alleged advances, 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 said 37 companies have filed appeals before the Division Bench of the Hon'ble High Court of Andhra Pradesh, against the Orders of the Hon'ble High Court of Andhra Pradesh and the Hon'ble High Court of Judicature at Bombay sanctioning the scheme of merger of Satyam Computer Services Limited (Satyam) with the Company w.e.f. April 1, 2011, which are yet to be heard. One of the aforesaid companies has also appealed against the Order rejecting the Petition for winding-up of the erstwhile Satyam. These matters have been combined for hearing.

The Directorate of Enforcement (ED) while investigating the matter under the Prevention of Money Laundering Act, 2002 (PMLA) had directed the erstwhile Satyam not to return the alleged advances until further instructions. In furtherance to the investigation, certain fixed deposits of the Company with

certain banks, then aggregating to ₹ 8,220 Million were alleged by ED to be 'proceeds of crime' and were provisionally attached vide Order dated October 18, 2012 by the 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 this interim Order passed by the Single Judge before the Division Bench of the Court. Vide order dated December 31, 2014, the Hon'ble High Court upon hearing the matter, has dismissed the Appeal filed by ED and affirmed the Stay granted by the Single Judge. Consequently, out of the aforesaid fixed deposit which were attached, fixed deposits aggregating ₹ 3,570 million have been redeemed. Certain banks have not honored the redemption claim and the Company is pursuing the matter legally.

A criminal case was filed by the ED before the Hon'ble XXI Additional Chief Metropolitan Magistrate, Hyderabad cum Special Sessions Court (Trial Court) under the PMLA against erstwhile Satyam along with 212 accused persons. The Company had challenged the above prosecution before the Hon'ble High Court of Andhra Pradesh which quashed the criminal complaint against the Company vide its Order dated December 22, 2014. On an appeal preferred by the ED, the Divisional Bench of the High Court, however passed an interim Order allowing the hearing for framing 'Charges'. A Special Leave Petition was filed by the Company before the Hon'ble Supreme Court of India, which, vide its Order dated May 11, 2015, directed the Hon'ble High Court of Andhra Pradesh to dispose off the Writ Appeal on its merits and preferably within a period of four months and further stayed the proceeding before the Trial Court. The said Appeal has not been heard till date.

In view of the aforesaid developments, which occurred and crystallised during the year and also based on an independent legal opinion the Management believes that the claim by the 37 companies for repayment of the alleged advances, including interest thereon is not legally tenable. Consequently, pending the final outcome of the proceedings, as a matter of prudence, at this point of time, the Company has accounted and disclosed the amount of ₹ 12,304 million as 'Suspense Account (net)', provided earlier. Although remote, in the event that these cases are decided against the Company, there would be no effect on the financial results or financial position of the company.

### **33. Claims by certain Shareholders of Erstwhile Satyam**

In terms of the Settlement of claims made by Aberdeen Asset Management PLC., UK and Aberdeen Claims Administration Inc., USA, the erstwhile Satyam has deposited a total amount of USD 80.16 Million towards the Settlement Amount and interest in an Escrow Account during the financial year ended March 31, 2013. Remittance out of the Escrow is subject to the determination of appropriate withholding tax by the Authority for Advance Ruling (AAR).

### **34. Scheme of Amalgamation and Arrangement of Mahindra Engineering Services Limited (MESL):**

Pursuant to the Scheme of Amalgamation and Arrangement (the Scheme) sanctioned by the Hon'ble High Court of Judicature at Bombay vide its Order dated October 31, 2014, MESL, merged with the Company with effect from the appointed date of April 1, 2013. MESL was 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 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, the Company had, in December 20, 2014, issued 5 Equity shares of ₹ 10 each fully paid-up in respect of every 12 Equity shares of ₹ 10 each 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 Company has initiated the name change formalities in respect of contracts, agreements, etc. of MESL.

The amalgamation is accounted under the 'pooling of interest' method as per Accounting Standard 14 on 'Accounting for Amalgamations' 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.
- The difference between face value of Equity shares issued by the Company pursuant to the Scheme and the amount of share capital of MESL, have been adjusted in the Reserves of the Company.
- Accordingly, the assets and liabilities of MESL are accounted at the following summarized values:

Particulars	₹ in Million
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)
<b>Net Assets</b>	<b>1,953</b>
Equity Share capital of MESL	(102)
Equity shares issued by the Company pursuant to the scheme	42
Capital Reserve (credit balance)	(60)

In terms of the Scheme, the appointed date of the amalgamation being April 1, 2013, the net profit of MESL, aggregating ₹ 428 Million and movements in other components of Reserves and Surplus during the financial year 2013-14 have 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.

### 35. Scheme of Amalgamation of Tech Mahindra BPO Limited and New vC Services Private Limited

Pursuant to the Scheme of Amalgamation (the Scheme) sanctioned by the Hon'ble High Court of Judicature at Bombay vide its order dated March 04, 2016, Tech Mahindra BPO Limited (TMBPO), and New vC Services Private Limited (New vC) have been merged with the Company with effect from April 1, 2015 (the appointed date). The Scheme came into effect on March 29, 2016, 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 TMBPO and New vC have been transferred to and vested in the Company with effect from April 1, 2015.

TMBPO was engaged in business processes management, transitioning services and customer contract services.

New vC was engaged in the business of rendering Information Technology enabled and data processing services.

As the amalgamating companies i.e. TMBPO and New vC are both wholly owned subsidiaries of the Company, no consideration is payable on amalgamation with the Company.

The amalgamation is accounted under the 'pooling of interest' method as per Accounting Standard 14 on 'Accounting for Amalgamations' and as modified under the Scheme as under:

- All assets and liabilities and reserves of TMBPO and New vC have been recorded in the books of account of the Company at their respective carrying amounts and in the same form.

- Amount of Share capital of the transferor companies and gross value recorded as investments is adjusted and the difference is debited to The 'General Reserves' in accordance with the Scheme.
- Accordingly, the assets and liabilities of TMBPO and New vC are accounted at the following summarized values:

Particulars	TMBPO	New vC	Total
Fixed Assets (net) (Including Capital Work-in-Progress)	143	27	170
Non-Current Investments	-	62	62
Deferred Tax Asset	67	2	69
Trade Receivables	627	52	679
Cash and Bank Balances	48	54	102
Loans and Advances and other assets (long-term and short-term)	473	12	485
Liabilities and provisions (long-term and short-term)	1,056	25	1,081
Share Capital	331	90	421
Gross value recorded as investments	2,735	96	2,831
Debited to General Reserves	2,404	6	2,410

Accordingly, the figures for the year ended March 31, 2016 are after giving effect to the above mentioned merger, while the comparative figures are before giving effect to the merger and hence are not comparable.

The Company has initiated the name change formalities to transfer the title in respect of the contracts, agreements, etc. of TMBPO and New vC.

### **36. Land/ Immovable Properties**

- i. 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 (APIIC)), 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 Andhra Pradesh 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 Telangana State Industrial Infrastructure Corporation Limited then APIIC.
- ii. 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. In terms of the MOU signed with the government, the Company registered a Lease Deed on July 10, 2015 for 6 acres of land and took possession. Balance 4 acres of land is reserved for the Company for which Lease Deed will be executed and possession will be given on fulfillment of conditions as laid

down in MOU. The amount of ₹ 50 Million is included in Capital Advances (under Long-term loans and advances) as at March 31, 2016 (March 31, 2015: ₹ 50 Million).

- iii. 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 obtained extension to erect buildings and commence commercial activities by July 27, 2016.
- iv. Pursuant to the Scheme of Amalgamation and Arrangement (the Scheme) sanctioned by the Hon'ble High Court of Andhra Pradesh vide its order dated June 11, 2013 and the Hon'ble 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. 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.

## **37. 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 (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, 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.

## **38. Satyam Venture Engineering Services Private Limited (SVES)**

### **38.1 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 Hon'ble High Court of Andhra Pradesh dated August 23, 2013 in the matter (refer note 37) 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 ₹ 780 Million (March 31, 2015: ₹ 529 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, 2016 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.

### **38.2 Preparation of financial statements**

At the Annual General Meetings of the SVES held on October 29, 2012, September 10, 2013, September 22, 2014 and September 07, 2015 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, March 31, 2014 and March 31, 2015 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, 2016 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.

**39. Other matters:**

**Foreign currency receivables**

In respect of overdue foreign currency receivables for the period's upto March 31, 2009 pertaining to Erstwhile Satyam and overdue foreign currency receivables of TMBPO, the Company is taking steps under the provisions of FEMA, for recovery and/or permissions for write-offs, as appropriate. Erstwhile Satyam under the Management post Government nominated Board and TMBPO has fully provided for these receivables.

**40. 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 ₹ 14 Million is outstanding as at March 31, 2016 (March 31, 2015: ₹ 3 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.

**41.** 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.

**42. Provision made / reversed against Investments of subsidiaries/entities**

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, 2016, 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.

**43.** Based on the Management's assessment and improved financial performance of Dion Global Solutions Limited, the Company during the year ended March 31, 2016, has reversed the provision for diminution in value of its investment in Dion Global Solutions Limited, which was provided for in an earlier year, amounting to ₹ 243 Million

**44. Transfer to Statutory reserve**

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.

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.

**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, 2016 in respect of defined contribution plan is ₹ 3,371 Million (year ending March 31, 2015: ₹ 2,627 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:

Particulars	₹ in Million			
	As at			
	March 31, 2016	March 31, 2015	Non Funded	Funded
<b>Changes in Fair Value of defined benefit obligation</b>				
Projected benefit obligation, beginning of the year	2,706	97	2,347	94
Add: Additions on account of amalgamation(Refer note 34)	-	-	82	-
Add : Addition on account of acquisition	-	-	172	-
Service cost	494	17	429	31
Interest cost	194	6	209	8
Actuarial (Gain) / Loss	(68)	6	(233)	(23)
Benefits paid	(429)	(14)	(300)	(13)
<b>Projected benefit obligation, at the end of the year</b>	<b>2,897</b>	<b>112</b>	<b>2,706</b>	<b>97</b>
Trust Fund Receivable (erstwhile TMRDL/MESL)*	(127)	-	(117)	-
<b>Projected benefit obligation, at the end of the year (net)</b>	<b>2,770</b>	<b>112</b>	<b>2,589</b>	<b>97</b>

\*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 is as follows:

Particulars	₹ in Million	
	March 31, 2016	March 31, 2015
Insured Managed Funds (refer note 34 & 35)	79	72
Government of India Securities /State Government Securities/ Gilt Mutual Funds	22	21
Public Sector Unit Bonds	15	9
Mutual Funds	5	3
Bank Balance	6	12
<b>Total</b>	<b>127</b>	<b>117</b>

The composition of funded plan of Comviva is as follows:

<b>Particulars</b>	<b>As at</b>		<b>₹ in Million</b>
	<b>March 31, 2016</b>	<b>March 31, 2015</b>	
Opening fair value of plan assets	<b>18</b>	18	
Fair value of plan assets on acquisition	-	-	
Expected return on plan assets	<b>1</b>	1	
Contributions	<b>8</b>	3	
Benefits paid	<b>(12)</b>	(6)	
Actuarial Gain	<b>0</b>	2	
<b>Closing fair value of plan assets at end of the year</b>	<b>15</b>	18	

<b>Expense recognized in the Statement of Profit and Loss</b>	<b>For the year ended</b>				<b>₹ in Million</b>	
	<b>March 31, 2016</b>		<b>March 31, 2015</b>			
	<b>Non Funded</b>	<b>Funded</b>	Non Funded	Funded		
Service cost	<b>494</b>	<b>17</b>	429	31		
Interest cost	<b>194</b>	<b>6</b>	209	8		
Expected return on plan Assets	<b>(10)</b>	<b>(1)</b>	(10)	(3)		
Actuarial (Gain) / Loss	<b>(68)</b>	<b>6</b>	(233)	(23)		
<b>Total</b>	<b>610</b>	<b>28</b>	395	13		

#### Experience Adjustments (Non Funded)

<b>Particulars</b>	<b>March 31, 2016</b>	<b>March 31, 2015</b>	<b>March 31, 2014</b>	<b>March 31, 2013</b>	<b>March 31, 2012</b>	<b>₹ in Million</b>
1. Defined Benefit Obligation	<b>(2,897)</b>	(2,706)	(2,347)	(1,314)	(1,097)	
2. Fair value of plan assets	<b>127</b>	117	40	38	35	
3. Surplus/(Deficit)	<b>(2,770)</b>	(2,589)	(2,307)	(1,276)	(1,062)	
4. Experience adjustment on plan liabilities [Gain/(Loss)]	<b>33</b>	10	246	155	23	
5. Experience adjustment on plan assets [Gain/(Loss)]	<b>1</b>	0	(2)	-	(1)	
6. Actuarial Gain / (Loss) due to change on assumptions	<b>34</b>	223	303	(20)	(25)	

#### Experience Adjustment (Funded)

<b>Particulars</b>	<b>March 31, 2016</b>	<b>March 31, 2015</b>	<b>March 31, 2014</b>	<b>March 31, 2013</b>	<b>March 31, 2012</b>	<b>₹ in Million</b>
1. Defined Benefit Obligation	<b>(112)</b>	(97)	(94)	(72)	-	
2. Fair value of plan assets	<b>15</b>	18	18	20	-	
3. Surplus/(Deficit)	<b>(97)</b>	(79)	(76)	(52)	-	
4. Experience adjustment on plan liabilities [Gain/(Loss)]	<b>0</b>	23	3	10	-	
5. Experience adjustment on plan assets [Gain/(Loss)]	<b>(6)</b>	2	1	0	-	
6. Actuarial Gain / (Loss) due to change on assumptions	<b>(0)</b>	(2)	0	-	-	

<b>Principal Actuarial Assumptions (Non Funded)</b>	<b>March 31, 2016</b>	March 31, 2015
Discount Rate	<b>4.00% to 7.90%</b>	4.00% to 8.00%
Expected rate of increase in compensation	<b>2.00% to 10.00%</b>	2.00% to 10.00%
Mortality rate	<b>Indian assured lives Mortality (2006-08) Modified Ult.</b>	Indian assured lives Mortality (2006-08) Modified Ult.

<b>Principal Actuarial Assumptions (Funded)</b>	<b>March 31, 2016</b>	March 31, 2015
Discount Rate	<b>7.60%</b>	7.80%
Expected rate of increase in compensation	<b>8.00%</b>	8.00%
Expected rate of return on plan assets	<b>8.00%</b>	8.00%

- 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):

<b>Particulars</b>	<b>March 31, 2016</b>	March 31, 2015
Audit Fees (including quarterly audits)	<b>38</b>	39
For other Services(certifications, etc)	<b>32</b>	21
For taxation matters	<b>3</b>	3
For reimbursement of expenses	<b>1</b>	0
<b>Total</b>	<b>74</b>	63

#### 47. Leases

i. 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, 2016 is **₹ 3,049 Million** (year ended March 31, 2015: ₹ 2,402 Million). The future lease payments of such operating lease are as follows:

<b>Particulars</b>	<b>Not later than 1 year</b>	<b>Later than 1 year not later than 5 years</b>	<b>Later than 5 years</b>
Minimum Lease rentals payable (March 31, 2015: ₹ 1,270 Million, ₹ 2,180 Million and ₹ 1,742 Million respectively)	1,283	2,282	1,519

ii. Group 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, 2016 is **₹ 845 Million** (year ended March 31, 2015: ₹ 199 Million). The future lease payments of operating lease are as follows:

<b>Particulars</b>	<b>Not later than 1 year</b>	<b>Later than 1 year not later than 5 years</b>	<b>Later than 5 years</b>
Minimum Lease rentals payable (March 31, 2015: ₹ 337 Million, ₹ 486 Million and ₹ Nil respectively)	364	399	104

iii. Group has taken vehicles on finance lease. The future lease rent payable on such vehicles taken on finance lease are as follows:

<b>Particulars</b>	<b>₹ in Million</b>	
	<b>March 31, 2016</b>	March 31, 2015
Minimum lease payments		
- Less than one year	235	184
- One to five years	161	122
<b>Total</b>	<b>396</b>	306
Present value of minimum lease payments		
- Less than one year	202	163
- One to five years	150	112
<b>Total</b>	<b>352</b>	275

iv. Group has taken computer equipments on finance lease. The future lease rent payable on such computer equipments taken on finance lease are as follows:

<b>Particulars</b>	<b>₹ in Million</b>	
	<b>March 31, 2016</b>	March 31, 2015
Minimum lease payments		
- Less than one year	373	
- One to five years	1,042	
<b>Total</b>	<b>1,415</b>	
Present value of minimum lease payments		
- Less than one year	336	
- One to five years	994	
<b>Total</b>	<b>1,330</b>	

v. Group has given premises on operating lease. The rental income recognized in the Statement of Profit and Loss for the year ended March 31, 2016 is ₹ 154 Million (year ended March 31, 2015: ₹ 212 Million). The future lease rent receivable on such premises given on operating lease are as follows:

<b>Particulars</b>	<b>Not later than 1 year</b>	<b>Later than 1 year not later than 5 years</b>	<b>Later than 5 years</b>
Minimum Lease rentals receivable (March 31, 2015: ₹ 283 Million, ₹ 598 Million and ₹ 10,969 Million respectively)	158	516	10,876

vi. During the year ended March 31, 2015, 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.

vii. Group has given computer equipments on finance lease. The future lease rent receivable on such computer equipments given on finance lease are as follows:

<b>Particulars</b>	<b>₹ in Million</b>
<b>March 31, 2016</b>	
Minimum lease receivable	
- Less than one year	111
- One to five years	246
<b>Total</b>	<b>357</b>
Present value of minimum lease receivable	
- Less than one year	99
- One to five years	205
<b>Total</b>	<b>304</b>

viii. Group has entered into Sale and lease back arrangements with a leasing companies for certain computer equipments at book value. The future lease rent payable are as follows:

<b>Particulars</b>	<b>₹ in Million</b>
<b>March 31, 2016</b>	
Minimum lease payments	
- Less than one year	251
- One to five years	754
<b>Total</b>	<b>1,005</b>
Present value of minimum lease payments	
- Less than one year	224
- One to five years	715
<b>Total</b>	<b>939</b>

48. The Hon'ble 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. The tax effect of significant timing differences that has resulted in deferred tax assets are given below

<b>Particulars</b>	<b>₹ in Million</b>
<b>March 31, 2016</b>	
Employee benefits	1,429
Doubtful Debts	1,732
Depreciation	1,716
Others	698
<b>Total</b>	<b>5,575</b>

## 50. Exchange gain/(loss)(net) accounted during the year

- i. 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.
- ii. The following are the various outstanding foreign currency exchange forward contracts (sell) 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	<b>GBP: USD 174</b>	<b>982</b>
	(March 31, 2015: 183)	(March 31, 2015: 795)
	<b>EUR : USD 157</b>	<b>134</b>
	(March 31, 2015 : 155)	(March 31, 2015: 1,375)
	<b>AUD : USD 42</b>	<b>(134)</b>
	(March 31, 2015 : Nil)	(March 31, 2015 : Nil)
	<b>USD : CAD 26</b>	<b>(23)</b>
	(March 31, 2015 : Nil)	(March 31, 2015 : Nil)

The following are the outstanding foreign currency to INR Currency Forward Contracts (sell) 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	<b>USD 1,676</b>	<b>1,063</b>
	(March 31, 2015: 1,470)	(March 31, 2015: (1,368))
	<b>EUR 5</b>	<b>(2)</b>
	(March 31, 2015: 4)	(March 31, 2015: 39)
	<b>GBP 4</b>	<b>1</b>
	(March 31, 2015: 1)	(March 31, 2015: 1)
Option	<b>AUD 23</b>	<b>(55)</b>
	(March 31, 2015 : Nil)	(March 31, 2015 : Nil)
Option	<b>USD 60</b>	<b>46</b>
	(March 31, 2015: 180)	(March 31, 2015: (25))

The Mark to Market as at March 31, 2016 is net of gain / loss as given below

Particulars	As at	
	March 31, 2016	March 31, 2015
Classified under Long-Term Loans and Advances	<b>Loss: 385</b>	Loss: 1,042
Classified under Short-Term Loans and Advances	<b>Loss:1,101</b>	Loss: 1,450

The movement in hedging reserve during the year ended March 31, 2016 for derivatives designated as Cash Flow Hedges is as follows:

<b>Particulars</b>	<b>₹ in Million</b>	
	<b>As at</b>	
	<b>March 31, 2016</b>	<b>March 31, 2015</b>
Credit/(Debit) Balance at the beginning of the year	<b>736</b>	(5,558)
Gain/(Loss) net transferred to income statement on occurrence of forecasted hedge transaction	<b>(17)</b>	609
Changes in the fair value of effective portion of outstanding cash flow derivative	<b>1,157</b>	6,903
(Debit)/Credit Balance	<b>1,910</b>	736

Net gain on derivative instruments of ₹ **1,546 Million** (March 31, 2015: Gain ₹ 319 Million) recognised in hedging reserve as of March 31, 2016 is expected to be reclassified to the statement of Profit and Loss by June 30, 2017.

Exchange Gain / (Loss) net of ₹ **(8) Million** (March 31, 2015: Gain ₹ 609 Million) on foreign exchange forward contracts and currency options contracts have been recognised for the year ended March 31, 2016.

- iii. As at March 31, 2016, the Group has net foreign exchange exposures that are not hedged by a derivative instruments or otherwise amounting to ₹ **48,922 Million** (March 31, 2015: ₹ 42,872 Million).
- iv. Lightbridge Communications Corporation (LCC) entered into an interest rate swap (IRS) agreement with JP Morgan on June 24, 2015 and with Citi Bank on Feb 17, 2016 to reduce the exposure to interest rate fluctuations on underlying variable interest debt. For year ended March 31, 2016 accrued market-to-market loss from the IRS agreement is ₹ **34 Million** (USD 0.5 Million) (March 31, 2015 ₹ Nil).

**51.** Current tax expense for the year ended March 31, 2016 includes excess provision of ₹ **459 Million** (March 31, 2015: ₹ 64 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 year ended March 31, 2016, 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 ₹ **NIL** (March 2015: ₹ 105 Million).

The Company has made provision towards current tax in respect of its domestic operations for the year ended March 31, 2016. 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.

**52.** 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:

<b>Particulars</b>	<b>₹ in Million</b>	
	<b>As at</b>	
	<b>March 31, 2016</b>	<b>March 31, 2015</b>
Opening balance	<b>175</b>	258
On account of acquisition	<b>5</b>	-
Provision made during the year	<b>288</b>	260
Reversals during the year	<b>(2)</b>	(166)
Payments / utilisation made during the year	<b>(257)</b>	(177)
<b>Closing balance</b>	<b>209</b>	175

**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.

### 53. 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 the same to be settled in 3-5 years. The movement in the said provisions is summarized below:

Particulars	₹ in Million	
	As at March 31, 2016	March 31, 2015
Opening Balance	1,241	1,241
Provision made during the year	-	-
Reversal / utilisation made during the year #	(319)	-
<b>Closing balance</b>	<b>922</b>	<b>1,241</b>

# refer note 31.5.1.iv

**54.** As required under Accounting Standard 18 "Related Party Disclosures" (AS – 18), following are details of transactions during the year ended March 31, 2016 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
SARL Djazatech	Associate
EURL LCC UK Algerie	Associate
IQS Information Solutions WLL	Associate
Tech Mahindra Foundation	Section 8 company (refer note 30 (A))
TML Benefit Trust	(Refer note30 (A))
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 - Vice Chairman **	
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.

\*\* Executive Vice Chairman till August 9, 2015.

**b) Related Party Transactions for the year ended March 31, 2016**

<b>Nature of Transactions</b>	<b>Name of the party</b>	<b>₹ in Million</b>	
		<b>March 31, 2016</b>	<b>March 31, 2015</b>
<b>Income from Services</b>	Mahindra & Mahindra Limited	<b>1,201</b>	1,268
<b>Sub-contracting cost</b>	Mahindra & Mahindra Limited		19
<b>Reimbursement of Expenses (Net)- Paid/ (Receipt)</b>	Mahindra & Mahindra Limited	<b>(0)</b>	(54)
	Mahindra Educational Institutions	<b>0</b>	(6)
<b>Rent Expense</b>	Mahindra & Mahindra Limited	<b>5</b>	1
<b>Rent Income</b>	Mahindra & Mahindra Limited	<b>30</b>	0
	Mahindra Educational Institutions	<b>74</b>	65
<b>Other Income</b>	TML Benefit Trust	<b>576</b>	480
<b>Professional Services</b>	Mahindra & Mahindra Limited	<b>12</b>	-
<b>Dividend Paid</b>	Mahindra & Mahindra Limited	<b>1,537</b>	1,214
	Mahindra-BT Investment Company (Mauritius) Limited	<b>1</b>	1
	Mahindra Holding Limited	<b>1</b>	-
	TML Benefit Trust	<b>576</b>	480
	Satyam Associates Trust	<b>5</b>	-
	Mahindra Engineering Services ESOP Trust	<b>0</b>	
	Vineet Nayyar	<b>11</b>	14
	C.P. Gurnani	<b>12</b>	13
	Milind Kulkarni	<b>0</b>	0
	G. Jayaraman	<b>-</b>	0
<b>Loan Received Back</b>	Satyam Associates Trust	<b>7</b>	-
<b>Advance Given</b>	Mahindra Educational Institutions	<b>-</b>	0
	SARL Djazatech	<b>-</b>	31
<b>Purchase of Fixed Assets</b>	Mahindra & Mahindra Limited	<b>6</b>	67
<b>Corporate Social Responsibility Expenditure (donations)</b>	Tech Mahindra Foundation	<b>297</b>	304
	Mahindra Educational Institutions	<b>170</b>	274
<b>Salary, Perquisites &amp; Commission to KMP's/ relative of KMP</b>	Vineet Nayyar	<b>17</b>	35
	C. P. Gurnani	<b>24</b>	23
	Milind Kulkarni	<b>9</b>	6
	G Jayaraman	<b>5</b>	5
	Gokul Jayaraman	<b>1</b>	1
<b>Stock Options</b>	Key Management Personnel	<b>#</b>	#

₹ in Million

Balance as on	Name of the party	As at	
		March 31, 2016	March 31, 2015
<b>Trade Payables</b>	Mahindra & Mahindra Limited	<b>24</b>	85
<b>Trade Receivables (Current)</b>	Mahindra & Mahindra Limited	<b>506</b>	377
<b>Contractual Reimbursable Expenses receivable</b>	Mahindra & Mahindra Limited	<b>30</b>	0
<b>Rent Receivable</b>	Mahindra Educational Institutions	<b>22</b>	-
<b>Unbilled Revenue Receivable</b>	Mahindra & Mahindra Limited	<b>141</b>	5
<b>Unearned revenue</b>	Mahindra & Mahindra Limited	<b>(8)</b>	7
<b>Loans Receivable (long term)</b>	Satyam Associates Trust *	<b>11</b>	18
<b>Short Term Advances</b>	SARL Djazatech	-	68
	Mahindra & Mahindra Limited	<b>1</b>	16
<b>Payable to Key management personnel (under Trade Payables)</b>	Vineet Nayyar	<b>4</b>	11
	C. P. Gurnani	<b>8</b>	8
	Milind Kulkarni	<b>3</b>	2
	G Jayaraman	<b>0</b>	1
	Gokul Jayaraman	<b>0</b>	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, 2016: ₹ 11 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.

# Stock options: Key Management Personnel

Particulars	Vineet Nayyar* Vice Chairman	C.P.Gurnani Managing Director	Milind Kulkarni Chief Financial Officer	G Jayaraman Company Secretary
Options exercised during the year ended March 31, 2016	<b>3,200,000</b> [692,567]	<b>800,000</b> [781,926]	<b>NIL</b> [6,667]	<b>NIL</b> [7,135]
Options granted during the year ended March 31, 2016	<b>NIL</b> [NIL]	<b>NIL</b> [NIL]	<b>##48,000</b> [NIL]	<b>NIL</b> [NIL]
Options outstanding as at March 31, 2016	<b>3,600,000</b> [6,800,000]	<b>6,000,000</b> [6,800,000]	<b>48,000</b> [NIL]	<b>14,708</b> [14,708]

Figures in brackets "[ ]" are for the year ended March 31, 2015.

## ESOP cost pertaining to options granted during current year ended March 31, 2016 is ₹ 12 Million

\* Executive Vice Chairman till August 9, 2015

## 55. Additional Disclosures

Particulars of loans given/investments made/guarantees given, as required by clause (4) of Section 186 of the Companies Act, 2013

₹ in Million					
<b>Name</b>	<b>Nature</b>	<b>Amount of loan outstanding as at 31.03.2016</b>	<b>Period</b>	<b>Rate of interest</b>	<b>Purpose</b>
Satyam Associates Trust	Loan	11 (18)	1 – 24 months (1 – 24 months)	- (-)	Working capital requirement (Working capital requirement)
For details of investments made, refer Note 13					
Lightbridge Communications Corporation	Guarantee	₹ 6,626 Million (USD 100 Million) (₹ 5,687 Million (USD 91 Million))	Loan availed by LCC is repayable on demand (Loan availed by LCC is repayable of demand)	- (-)	Working capital requirement (Working capital requirement)
Comviva Technologies B.V.	Letter of Comfort	₹ 1,656 Million i.e. USD 25 Million (Nil)	Credit facility availed by Comviva Technologies B.V. (Nil)	- (-)	Working capital requirement (Nil)
Sofgen Holdings Limited	Letter of Comfort	₹ 663 Million i.e. USD 10 Million (Nil)	Credit facility availed by Sofgen Holdings Limited (Nil)	- (-)	Working capital requirement (Nil)

Figures in brackets "()" are for the previous year ended March 31, 2015.

## 56. Employee Stock Option Scheme

### i. ESOP 2000 & ESOP 2010:

The Company has instituted 'Employee Stock Option Plan 2000' (ESOP 2000) and 'Employee Stock Option Plan 2010' (ESOP 2010) for eligible employees and Directors of the Company and its subsidiaries. The vesting pattern of the schemes has been provided below. 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 for ESOP 2000 and exercise price as determined by the Nomination and remuneration Committee for ESOP 2010.

### ii. ESOP 2006 & ESOP 2014:

The Company has instituted 'Employee Stock Option Plan 2006' (ESOP 2006) and 'Employee Stock Option Plan 2014' (ESOP 2014) 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 maximum exercise period is 7 years from the date of grant for ESOP 2006 and options can be exercised over a period of 5 years from the date of vesting for ESOP 2014.

The vesting period of the above mentioned 4 ESOP Schemes, namely ESOP 2000, ESOP 2006, ESOP 2010 and ESOP 2014 are as follows:

vesting percentage of options			
Service period from date of grant	ESOP 2000 and ESOP 2010	ESOP 2006	ESOP 2014
12 months	33.33%	10%	15%
24 months	33.33%	15%	20%
36 months	33.33%	20%	30%
48 months	-	25%	35%
60 months	-	30%	-

**iii. 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 to 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'.

**iv. 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 to 4 years from the date of the grant. The maximum time available to exercise the options upon vesting is five years from the date of each vesting. Post-merger, the name of the ESOP scheme has been changed to TML RSU.

**v. 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 180 days from the date of each vesting.

**vi. Employee Stock Option Scheme – ESOS:**

Erstwhile MESL has established Employee Stock Option Scheme (ESOS) - ESOS for which 1,400,000 equity shares respectively were earmarked. 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 outstanding under ESOS which are converted into equivalent 30,144 options of the Company giving effect to approved share exchange ratio, split and bonus.

The Company has framed various share-based payment schemes for its employees and directors of the Company and its subsidiaries. The details of various share based employee stock option plan (ESOP) schemes adopted are as follows:

<b>ESOP Scheme</b>	<b>Number of options granted during the year ended March 31, 2016</b>	<b>Grant date</b>	<b>Weighted average fair value</b>
ESOP 2000	<b>NIL</b>	NIL	NIL
ESOP 2006	<b>NIL</b>	NIL	NIL
ESOP 2010	<b>NIL</b>	NIL	NIL
TML ESOP B-2013	<b>NIL</b>	NIL	NIL
TML RSU	<b>NIL</b>	NIL	NIL
ESOP A	<b>NIL</b>	NIL	NIL
ESOP 2014	<b>2,157,000</b>	May 26, 2015	616.77
	<b>36,000</b>	May 26, 2015	303.18
	<b>223,500</b>	June 25, 2015	518.17
	<b>10,000</b>	July 27, 2015	485.39
	<b>90,000</b>	November 03, 2015	528.39
	<b>3,653,300</b>	February 01, 2016	227.33
	<b>80,000</b>	February 01, 2016	476.12
ESOS	<b>NIL</b>	NIL	NIL

#### vii. Details of activity of the ESOP schemes

Movement for year ended March 31, 2016 and year ended March 31, 2015:

<b>ESOP Scheme</b>	<b>Particulars</b>	<b>Year ended</b>	<b>Outstanding at the beginning of the year</b>	<b>Granted during the year</b>	<b>Forfeited during the year</b>	<b>Lapsed during the year</b>	<b>Exercised during the year</b>	<b>Outstanding at the end of the year</b>	<b>Adjusted #</b>	<b>Exercisable at the end of the year</b>
ESOP 2000	Number of options	March 31, 2016	1,528,600	-	-	-	212,097	1,316,503	-	1,049,831
	Weighted average exercise price	March 31, 2016	86.00	-	-	-	174.89	71.68	-	88.62
	Number of options	March 31, 2015	484,830	-	1,160	-	101,520	382,150	1,528,600	995,264
	Weighted average exercise price	March 31, 2015	414.70	-	159.00	-	174.63	86.00	-	129.41
ESOP 2006	Number of options	March 31, 2016	2,670,760	-	145,900	26,000	465,335	2,033,525	-	1,064,925
	Weighted average exercise price	March 31, 2016	179.23	-	190.65	167.00	166.94	181.38	-	171.56
	Number of options	March 31, 2015	890,780	-	64,150	-	158,940	667,690	2,670,760	827,660
	Weighted average exercise price	March 31, 2015	700.04	-	712.40	-	185.25	179.23	-	166.51
ESOP 2010	Number of options	March 31, 2016	7,248,714	-	-	-	4,484,126	2,764,588	-	2,760,148
	Weighted average exercise price	March 31, 2016	5.00	-	-	-	5.00	5.00	-	5.00
	Number of options	March 31, 2015	1,981,083	-	11,002	-	157,902	1,812,179	7,248,714	7,239,794
	Weighted average exercise price	March 31, 2015	10.00	-	10.00	-	5.00	5.00	-	5.00
TML ESOP B-2013	Number of options	March 31, 2016	10,105,632	-	224,676	41,806	1,031,295	8,807,855	-	6,040,535
	Weighted average exercise price	March 31, 2016	92.76	-	341.69	233.01	202.91	72.85	-	68.90
	Number of options	March 31, 2015	2,951,823	76,000	86,805	5	414,605	2,526,408	10,105,632	4,626,468
	Weighted average exercise price	March 31, 2015	396.30	2,026	910.99	1982.80	193.23	364.70	-	113.06

ESOP Scheme	Particulars	Year ended	Outstanding at the beginning of the year	Granted during the year	Forfeited during the year	Lapsed during the year	Exercised during the year	Outstanding at the end of the year	Adjusted #	Exercisable at the end of the year
TML RSU	Number of options	March 31, 2016	2,772,714	-	229,820	432	819,304	1,723,158	-	781,526
	Weighted average exercise price	March 31, 2016	5.00	-	5.00	5.00	5.00	5.00	-	5.00
	Number of options	March 31, 2015	866,256	56,000	70,080	1,125	157,872	693,179	2,772,714	770,446
	Weighted average exercise price	March 31, 2015	10.00	10.00	5.00	5.00	5.00	5.00	-	5.00
ESOP A	Number of options	March 31, 2016	662,316	-	61,320	-	95,170	505,826	-	116,806
	Weighted average exercise price	March 31, 2016	30.00	-	30.00	-	30.00	30.00	-	30.00
	Number of options	March 31, 2015	240,302	-	21,409	4,718	48,596	165,579	662,316	11,392
	Weighted average exercise price	March 31, 2015	120.00	-	120.00	30.00	30.00	120.00	-	30.00
ESOP 2014	Number of options	March 31, 2016	5,524,800	6,249,800	874,120	-	9,000	10,891,480	-	756,780
	Weighted average exercise price	March 31, 2016	594.38	252.46	480.40	-	5.00	407.81	-	602.46
	Number of options	March 31, 2015	-	1,454,900	73,700	-	-	1,381,200	5,524,800	-
	Weighted average exercise price	March 31, 2015	-	2,379.00	2,445.49	-	-	2377.05	-	-
ESOS	Number of options	March 31, 2016	30,144	-	-	-	-	30,144	-	30,144
	Weighted average exercise price	March 31, 2016	19.53	-	-	-	-	19.53	-	19.53
	Number of options*	March 31, 2015	802,556	-	1,444	8	783,020	7,536@	30,144	30,144
	Weighted average exercise price	March 31, 2015	-	-	-	-	-	78.00	-	19.53
Total	Number of options	March 31, 2016	30,543,680	6,249,800	1,535,836	68,238	7,116,327	28,073,079	-	12,600,695
	Number of options	March 31, 2015	8,217,630	1,586,900	329,750	5,856	1,822,455	7,635,921	30,543,680	14,501,168

# Split and bonus option outstanding at the end of year

@ Option granted and outstanding at the end of the period adjusted for share exchange ratio (12:5) as per approved scheme.

\* Refer note 34.

#### viii. Average Share price on date of exercise

The weighted average share price for the current year over which stock options were exercised was ₹ 551.92 (year ended March 31, 2015: ₹ 2,430)

#### Information in respect of options outstanding:

ESOP Scheme	Range of Exercise price	As at March 31, 2016		As at March 31, 2015	
		Number of Options Outstanding	Weighted average remaining life (in Years)	Number of Options Outstanding#	Weighted average remaining life (in Years)
ESOP 2000	5-150	800,000	2.81	800,000	3.81
	151-300	516,503	0.20	728,600	1.20
ESOP 2006	5-150	-	-	28,800	0.74
	151-300	2,013,525	2.61	2,621,960	3.57
	301-450	20,000	4.37	20,000	5.37

ESOP Scheme	Range of Exercise price	As at March 31, 2016		As at March 31, 2015	
		Number of Options Outstanding	Weighted average remaining life (in Years)	Number of Options Outstanding#	Weighted average remaining life (in Years)
ESOP 2010	5-150	2,764,588	0.09	7,248,716	0.92
TML ESOP B-2013	5-150	6,723,028	4.72	7,002,136	5.66
	151-300	1,615,679	2.86	2,499,612	3.50
	301-450	329,148	5.33	411,884	6.25
	451-600	140,000	5.84	192,000	6.84
TML RSU	5-150	1,723,158	5.19	2,772,716	5.84
ESOP A	5-150	505,826	1.25	662,316	1.66
ESOP 2014	5-150	2,591,300	7.02	238,800	7.57
	301-450	3,653,300	7.69	-	7.44
	451-600	68,000	6.74	40,000	-
	601-750	4,578,880	6.23	5,246,000	7.30
ESOS	5-150	30,144	1.57	30,144	2.57

# Adjusted for split and bonus option outstanding at the end of year.

**ix.** 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, ESOP 2014 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, 2016 the Company has accounted for employee stock compensation cost amounting to ₹ 1,608 Million (March 31, 2015 ₹ 2,268 Million).

**x. Impact on the reported net profit and earnings per share by applying the fair value based method**

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 ₹ 413 Million (March 31, 2015: profit lower by ₹ 398 Million) and earnings per share as reported would be as indicated below:

Particulars	₹ in Million except earnings per share	
	For the Year ended	
	March 31, 2016	March 31, 2015
a) Net profit after tax (As reported)	31,180	26,277
b) Add : Stock-based employee compensation expense determined under intrinsic value base method	1,608	2,268
c) Less : Stock-based employee compensation expense determined under fair value base method	(2,021)	(2,666)
Adjusted net profit	30,767	25,879
Basic earnings per share (in ₹)		
As reported	32.34	27.46
Adjusted	31.92	27.04
Diluted earnings per share (in ₹)		
As reported	31.67	26.74
Adjusted	31.25	26.33

The fair value of each option is estimated on the date of grant based on the following assumptions (on weighted average basis):

<b>Particulars</b>	<b>For the year ended</b>	
	<b>March 31, 2016</b>	March 31, 2015
Weighted average share price	<b>555.37</b>	2,397.48
Exercise price	<b>252.46</b>	2,263.19
Expected Volatility (%)	<b>30.73</b>	37.43
Expected life	<b>5.35 Years</b>	5.30 Years
Expected dividend (%)	<b>0.84</b>	0.72
Risk free interest rate (%)	<b>7.69</b>	8.58

The weighted average fair value of the stock options granted during the current year ended March 31, 2016 is ₹ 380.51 (March 31, 2015 : ₹ 1,182.29). The Black and Scholes valuation model has been used for computing the weighted average fair value.

**57. Earnings Per Share is calculated as follows:**

<b>Particulars</b>	<b>₹ in Million except earnings per share</b>	
	<b>For the year ended</b>	
	<b>March 31, 2016</b>	March 31, 2015
Net profit attributable to shareholders after taxation	<b>31,180</b>	26,277
Equity Shares outstanding as at the end of the year (in nos.)	<b>967,810,069</b>	960,788,912
Weighted average Equity Shares outstanding as at the end of the year (in nos.)	<b>964,001,639</b>	957,023,671
Weighted average number of Equity Shares used as denominator for calculating Basic Earnings Per Share	<b>964,001,639</b>	957,023,671
<b>Add: Dilutive impact of employee stock options</b>	<b>20,434,379</b>	25,823,764
Number of Equity Shares used as denominator for calculating Diluted Earnings Per Share	<b>984,436,018</b>	982,847,435
Nominal Value per Equity Share (in ₹)	<b>5</b>	5
Earnings Per Share		
- Basic (in ₹)	<b>32.34</b>	27.46
- Diluted (in ₹)	<b>31.67</b>	26.74

**58.** 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, 2016.

- **Segment Information**

**A. Primary Segment**

Particulars	₹ in Million					
	For the year ended					
	March 31, 2016		March 31, 2015	IT Services	BPO	Total
Revenue	245,247	19,695	264,942	207,622	18,591	226,213
Direct Expenses	191,712	13,773	205,485	155,477	12,277	167,754
Segmental Operating Income	53,535	5,922	59,457	52,145	6,314	58,459
Less : Unallocable Expenses						
Finance Charges			961			691
Depreciation and amortisation expense			7,620			6,114
Other Unallocable Expenses			16,273			16,538
Total Unallocable Expenses			24,854			23,343
Operating Income			34,603			35,116
Other Income			5,566			1,065
Profit before Exceptional Item, Tax and Minority Interest			40,169			36,181
Profit Before tax and minority interest			40,169			36,181
Provision for Taxation						
a) Current tax (including MAT charge/(credit))			10,224			9,590
b) Deferred tax			(1,622)			5
Profit after tax and before Minority Interest			31,567			26,586
Minority Interest			(413)			(310)
Share in Profit/(Loss) of Associate			26			1
Profit after tax			31,180			26,277

**B. Secondary Segment**

Revenue details as per geography

Geography	₹ in Million	
	March 31, 2016	March 31, 2015
Americas	125,496	107,326
Europe region	76,987	69,619
Rest of world	62,459	49,268
<b>Total</b>	<b>264,942</b>	<b>226,213</b>

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.

**59.** Revenue and Software, Hardware and Project Specific Expenses for the year ended March 31, 2016 include revenue and cost relating to one of the subsidiary of ₹ 1,289 Million (March 2015: ₹ 1,061 Million) and cost of ₹ 804 Million (March 2015: ₹ 774 Million) relating to sale and purchase of trading goods.

## **60. Tax on Dividend**

Shareholders at the Annual General Meeting held on July 28, 2015 had approved the dividend of ₹ 6 per equity share which was paid during the year ended March 31, 2016. On the said dividend, Company had made a provision towards dividend distribution tax of ₹ 1,173 Million in March 2015. During the year, the Company has received dividend from its subsidiaries of ₹ 5,587 Million. As per the provisions of Section 115O of Income Tax Act, 1961, the Company has calculated dividend tax after adjusting dividend received from its subsidiaries. The Company has paid dividend distribution tax of ₹ 36 Million and excess provision for dividend distribution tax of ₹ 1,137 Million has been written back since no longer required.

- 61.** Additional Information as per Section 129 of the Companies Act 2013 – **Refer Annexure - I**
- 62.** 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**
- 63.** 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  
Vice Chairman

C. P. Gurnani  
Managing Director & CEO

Anupam Puri  
Director

M. Rajyalakshmi Rao  
Director

M. Damodaran  
Director

V S Parthasarathy  
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 24, 2016

**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. 2015-2016		F.Y. 2014-2015		F.Y. 2015-2016		F.Y. 2014-2015	
	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)
<b>Parent Company</b>								
Tech Mahindra Limited	94.33%	135,522	91.89%	112,558	103.27%	32,200	85.86%	22,562
<b>Subsidiaries</b>								
<b>Indian</b>								
Tech Mahindra Business Services Limited	2.01%	2,884	3.80%	4,653	2.77%	865	5.00%	1,313
Comviva Technologies Ltd	3.12%	4,484	3.09%	3,790	2.27%	708	2.86%	751
Tech Mahindra BPO Limited (refer note (3) below)	-	-	0.25%	301	-	-	2.37%	624
Satyam Venture Engineering Services Pvt. Limited	0.73%	1,050	0.58%	707	1.10%	343	0.27%	72
Quexa Systems Private Limited	0.01%	12	0.00%	5	0.02%	6	0.01%	3
New vC Services Private Limited (refer note (3) below)	-	-	0.15%	185	-	-	0.12%	31
Tech Mahindra Growth Factories Limited	0.03%	49	-	-	-0.16%	(49)	-	-
<b>Foreign</b>								
Tech Mahindra (Americas) Inc., USA	10.47%	15,034	12.70%	15,553	5.77%	1,800	5.48%	1,440
Tech Talenta Inc	0.05%	65	0.03%	35	0.09%	27	0.03%	8
Lightbridge Communications Corporation (refer note (2) below)	2.70%	3,878	0.00%	3	2.20%	685	-0.01%	(1)
Comviva Technologies Inc.	0.01%	16	0.01%	13	0.03%	9	0.02%	6
Comviva Technologies FZ-LLC	0.03%	47	-0.03%	(38)	0.28%	86	-0.20%	(53)
Comviva Technologies Nigeria Ltd.	-0.01%	(8)	0.01%	15	-0.07%	(23)	-0.08%	(20)
Hedonmark {Management Services} Limited	-0.02%	(35)	0.00%	(1)	-0.11%	(34)	-0.01%	(2)
Comviva Technologies Singapore Pte. Ltd	0.00%	1	0.00%	(4)	-0.01%	(2)	-0.01%	(2)
Comviva Technologies B.V	0.01%	15	-	-	0.05%	14	-	-
Terra Payment Services (Netherlands) BV	0.00%	6	-	-	-0.07%	(23)	-	-
ATS Advanced Technologies Solutions S.A.	0.02%	26	-	-	0.03%	8	-	-
ATS Advanced Technologies Solutions do Brasil Industria, Comercio, Importacao y Exportacao LTDA	0.02%	28	-	-	0.08%	24	-	-
Satyam Venture Engineering Services (Shanghai) Co. Ltd.	0.01%	13	0.01%	13	0.00%	0	0.03%	7
Satvan GmbH (Formerly known as Satyam Venture Engineering Services GmbH)	0.00%	2	0.00%	2	0.00%	1	0.00%	0
Tech Mahindra GMBH	0.79%	1,130	0.98%	1,195	1.72%	537	0.47%	124
TechM IT-Services GmbH	0.00%	4	0.00%	1	0.01%	2	0.00%	1
Tech Mahindra Business Services GmbH	0.27%	391	0.24%	297	0.18%	56	0.08%	21
vCustomer Philippines, Inc.	0.17%	241	0.15%	180	0.16%	50	0.02%	6
vCustomer Philippines (Cebu), Inc.	0.10%	145	0.06%	76	0.22%	68	0.07%	19
Tech Mahindra (Singapore) Pte Limited	0.15%	211	0.14%	176	0.06%	20	0.07%	20
Tech Mahindra (Thailand) Limited	0.01%	21	0.02%	22	0.00%	(1)	0.02%	5
PT Tech Mahindra Indonesia	0.64%	925	0.71%	875	-0.01%	(3)	1.13%	297
Tech Mahindra (Malaysia) SDN BHD	0.03%	44	0.07%	81	0.03%	10	0.09%	24
Tech Mahindra (Beijing) IT Services Limited	0.01%	18	0.01%	16	0.01%	2	0.00%	1
Tech Mahindra (Bahrain) Limited (S.P.C)	0.05%	76	0.13%	163	-0.03%	(9)	0.01%	2
Tech Mahindra (Nigeria) Limited	0.15%	214	0.26%	315	-0.39%	(122)	0.33%	87
Tech Mahindra South Africa (Pty) Limited	-0.01%	(16)	-0.02%	(20)	0.00%	1	-0.04%	(9)
Tech Mahindra Technologies Inc.	0.05%	77	0.05%	60	0.04%	13	0.04%	11
Tech Mahindra (Shanghai) Co. Limited	0.30%	434	0.28%	342	0.28%	86	0.30%	80
Citisoft Plc.	0.07%	104	0.14%	173	0.29%	91	0.09%	23
Citisoft Inc.	0.25%	364	0.27%	325	0.38%	117	0.36%	94
Satyam Computer Services (Egypt) S.A.E	-0.07%	(94)	-0.07%	(89)	-0.05%	(15)	0.00%	(0)
Tech Mahindra (Nanjing) Co. Limited	0.05%	76	0.05%	64	0.03%	11	0.04%	10
Nitor Global Solutions Limited (refer note (5) below)	-0.01%	(17)	-0.01%	(17)	-	-	-	-
Satyam Computer Services Belgium BVBA	-	-	-	-	-	-	-0.01%	(4)
Vision Compass, Inc. (refer note (5) below)	-0.87%	(1,246)	-1.02%	(1,246)	-	-	-	-
Satyam (Europe) Limited (refer note (5) below)	-0.18%	(263)	-0.21%	(263)	-	-	-	-
Tech Mahindra Servicos De Informatica LTDA	0.36%	512	0.33%	400	-0.83%	(259)	-0.61%	(159)
Complex IT Solutions Consultoria EM Informatica SA	0.00%	(3)	0.19%	235	-0.72%	(226)	0.37%	97

## Annexure I

Name of the entity	Net Assets, i.e., total assets minus total liabilities				Share in profit or loss			
	F.Y. 2015-2016		F.Y. 2014-2015		F.Y. 2015-2016		F.Y. 2014-2015	
	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)
Satyam Colombia Servicios De Informática SAS	0.00%	2	0.00%	2	0.00%	(0)	0.01%	2
Tech Mahindra ICT Services (Malaysia) SDN BHD	0.42%	608	0.10%	120	0.97%	304	0.41%	107
Satyam Computer Services De Mexico S.D.E R.L.D.E C.V	0.05%	67	0.02%	23	0.07%	23	-0.02%	(6)
Tech Mahindra IPR Inc	-0.09%	(123)	-0.03%	(40)	-0.26%	(80)	-0.17%	(46)
FixStream Networks Inc.	-0.31%	(447)	-0.15%	(188)	-0.79%	(246)	-0.48%	(126)
Mahindra Technologies Services Inc.	0.10%	148	0.11%	129	0.03%	11	0.05%	14
Mahindra Engineering Services (Europe) Limited	0.14%	197	0.18%	215	-0.08%	(26)	0.22%	58
Mahindra Engineering GmbH (refer note (4) below)	-	-	0.00%	1	-	-	-0.01%	(3)
Sofgen Holdings Limited (refer note (2) below)	0.06%	85	0.06%	78	-0.76%	(237)	-	-
Nth Dimension	0.05%	66	-	-	0.22%	68	-	-
Tech Mahindra DRC SARLU	0.01%	11	-	-	0.01%	4	-	-
Tech Mahindra Arabia Limited	0.00%	3	-	-	-0.05%	(15)	-	-
Tech Mahindra Netherlands B.V.	0.00%	3	-	-	0.00%	(0)	-	-
Tech Mahindra France SAS	0.00%	7	-	-	0.00%	(0)	-	-
Tech Mahindra Sweden	0.00%	0	-	-	-	-	-	-
Adjustments arising out of consolidation	-16.29%	(23,401)	-15.52%	(19,005)	-17.04%	(5,313)	-3.43%	(903)
<b>Total</b>	<b>100.00%</b>	<b>143,663</b>	<b>100.00%</b>	<b>122,486</b>				
<b>Minority Interest in all Subsidiaries</b>		<b>2,020</b>		<b>1,601</b>	<b>-1.33%</b>	<b>(413)</b>	<b>-1.18%</b>	<b>(310)</b>
<b>Associates (Investment as per Equity Method)</b>								
<b>Foreign</b>								
Avion Networks, Inc.		186		186	0.00%	0	-	-
SARL Djazatech (refer note (2) below)		72		45	0.09%	27	0.01%	1
IQS Information Solutions WLL		-		-	0.00%	(1)	-	-

**Notes:**

- 1 Refer note 30.A for the entities which has not been considered for consolidation.
- 2 These numbers includes numbers of their subsidiaries and associates, as applicable.
- 3 Tech Mahindra BPO Limited and New vCustomer India Private Limited have been merged with Tech Mahindra Limited w.e.f April 1, 2015.(refer note 35)
- 4 Mahindra Engineering GmbH has been merged with Tech Mahindra GmbH w.e.f. April 1, 2015. (refer note 28.A.(xii))
5. 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.

Part "A": Subsidiaries

Sr. No.	Name of the Subsidiary	Country	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Report- ing Cur- rency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Invest- ments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	(Amount in ₹ Million)			
													Proposed Dividend	% of effective holding of Tech Mahindra Limited		
1	Tech Mahindra (Americas) Inc.	USA	-	USD	66.26	11,297.92	3,736.52	12,436.19	11,082.29	53,053.16	2,884.42	1,084.63	1,799.79	-	100.00%	
2	Tech Talents Inc.	USA	-	USD	66.26	33.13	31.54	288.12	183.45	-	1,221.25	43.93	16.88	27.05	-	100.00%
3	Tapiro Inc. (refer note iii(b) below)	USA	-	USD	-	-	-	-	-	-	-	-	-	-	-	100.00%
4	Lightbridge Communications Corporation (including its subsidiaries)	USA	-	USD	66.26	17,562.88	(13,684.57)	19,730.47	15,855.42	188.56	26,988.64	112.32	(572.30)	684.62	-	100.00%
5	Tech Mahindra IPR Inc.	USA	-	USD	66.26	6.63	(129.91)	167.03	290.31	-	100.98	(120.59)	(41.02)	(79.57)	-	100.00%
6	Tech Mahindra GmbH	Germany	-	EUR	75.41	45.32	1,084.99	6,030.79	4,900.48	522.25	8,920.78	616.62	(19.90)	536.72	-	100.00%
7	Tech Mahindra IT Services GmbH	Austria	-	EUR	75.41	0.38	3.15	11.95	8.43	-	53.03	3.15	0.79	2.36	-	100.00%
8	Tech Mahindra Business Services GmbH	Germany	-	EUR	75.41	312.78	78.35	521.74	130.61	-	628.05	76.87	20.97	55.90	-	100.00%
9	Tech Mahindra (Singapore) Pte. Limited	Singapore	-	SGD	49.25	2.46	208.87	623.77	412.43	-	965.47	24.22	4.60	19.62	-	100.00%
10	Tech Mahindra (Thailand) Limited	Thailand	-	THB	1.88	11.30	10.08	50.91	29.53	-	136.45	(0.83)	(0.19)	(0.64)	-	100.00%
11	PIT Tech Mahindra Indonesia	Indonesia	-	USD	66.26	33.13	891.77	1,348.04	423.15	-	1,333.45	(22.94)	(19.94)	(2.99)	-	100.00%
12	Tech Mahindra (Malaysia) Sdn. Bhd.	Malaysia	-	MYR	16.95	5.30	38.93	65.67	21.44	-	246.48	16.39	6.77	9.62	-	100.00%
13	Tech Mahindra (Beijing) IT Services Limited	China	December	CNY	10.18	35.05	(18.44)	22.50	5.89	-	9.94	0.67	-	0.67	-	100.00%
14	Tech Mahindra (Nigeria) Limited	Nigeria	-	NGN	0.33	50.95	163.91	1,541.21	1,326.94	-	1,057.99	(169.57)	(47.28)	(122.30)	-	100.00%
15	Tech Mahindra (Bahrain) Limited S.P.C.	Bahrain	-	BHD	175.72	8.79	66.92	87.94	122.44	-	49.35	1.31	10.73	(9.42)	-	100.00%
16	Tech Mahindra Business Services Limited.	India	-	INR	1.00	10.00	2,874.33	5,784.91	2,900.58	1,060.39	7,032.15	1,286.21	421.06	855.15	-	100.00%
17	Conniva Technologies Limited	India	-	INR	1.00	218.65	4,264.93	6,219.97	1,736.39	151.49	6,355.78	1,111.11	403.52	707.59	-	67.12%
18	Conniva Technologies Inc.	USA	December	USD	66.15	6.91	9.44	29.78	13.43	-	121.61	4.29	1.19	3.11	-	67.12%
19	Conniva Technologies Nigeria Limited	Nigeria	-	NGN	0.33	3.33	(10.84)	211.90	219.41	19.02	189.58	(26.36)	(3.54)	(22.82)	-	67.12%
20	Hedonmark (Management Services) Limited	Nigeria	-	NGN	0.33	0.83	(55.81)	11.04	46.03	-	0.17	(33.72)	0.00	(33.72)	-	50.34%
21	Conniva Technologies Singapore PTE. Ltd	Singapore	-	SGD	49.25	3.00	(2.13)	41.10	40.23	-	8.84	(2.21)	-	(2.21)	-	67.12%
22	Conniva Technologies FZ LLC	Dubai	-	AED	18.04	0.99	45.98	918.40	811.44	-	1,334.65	86.29	-	86.29	-	67.12%
23	Terra Payment Services (Netherlands) BV	Netherlands	-	EUR	75.41	30.16	(23.74)	10.27	3.85	-	-	(22.74)	-	(22.74)	-	67.12%
24	Terra Payment Services South Africa (Pty) Ltd	South Africa	-	ZAR	-	-	-	-	-	-	-	-	-	-	-	67.12%
25	Mopex Money Transfer Services Limited (refer note iii(d) below)	Kenya	-	KES	-	-	-	-	-	-	-	-	-	-	-	67.12%
26	Terrabay Services (UK) Limited (refer note iii(g) below)	UK	-	GBP	-	-	-	-	-	-	-	-	-	-	-	67.12%
27	Terra Payment Services (Tanzania) Limited (refer note iii(e) below)	Tanzania	-	TZS	-	-	-	-	-	-	-	-	-	-	-	67.12%
28	Terra Payment Services (Uganda) Limited (refer note iii(f) below)	Uganda	-	UGX	-	-	-	-	-	-	-	-	-	-	-	67.12%
29	Conniva Technologies B.V	Netherlands	-	EUR	75.41	0.75	14.73	538.19	522.70	323.47	20.97	18.34	4.24	14.10	-	67.12%
30	Tech Mahindra South Africa (Pty) Limited	South Africa	-	ZAR	4.50	0.00	(16.40)	180.52	166.92	-	178.28	1.19	-	1.19	-	51.00%
31	Tech Mahindra (Shanghai) Co. Limited	China	December	CNY	10.18	1,047.20	(643.10)	707.23	303.14	-	1,109.74	72.69	-	72.69	-	100.00%
32	Tech Mahindra (Nanjing) Co. Limited	China	December	CNY	10.18	536.20	(463.86)	77.18	4.84	-	82.99	9.98	-	9.98	-	100.00%
33	Tech Mahindra Technologies Inc.	USA	-	USD	66.26	66.26	10.69	259.33	182.38	-	795.83	14.60	1.35	13.25	-	100.00%
34	Satyam Computer Services (Egypt) S.A.E (refer note iv below)	Egypt	December	EGP	8.45	12.56	(119.46)	1.00	107.90	-	(15.23)	-	(15.23)	-	-	100.00%
35	Citisoft Plc.	UK	-	GBP	95.52	10.74	93.67	134.85	30.44	0.30	192.85	90.75	-	90.75	-	100.00%
36	Citisoft Inc.	USA	-	USD	66.26	0.32	363.95	614.58	250.32	-	1,728.72	199.21	81.89	117.32	-	100.00%
37	Satyam Venture Engineering Services Private Limited	India	-	INR	1.00	70.89	979.51	2,007.69	957.29	14.94	2,681.42	414.54	71.39	343.15	-	50.00%

Sr. No.	Name of the Subsidiary	Country	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Report- ing Cur- rency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Invest- ments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	(Amount in ₹ Million)	% of effective holding of Tech Mahindra Limited
38	Satyam Venture Engineering Services (Shanghai) Co. Limited	China	December	CNY	10.18	10.11	3.04	29.54	16.39	-	46.81	2.08	0.57	1.50	-
39	Satyen GmbH (Formerly known as Satyam Venture Engineering Services GmbH)	Germany	-	EUR	75.41	1.89	0.61	15.02	12.52	-	16.47	0.80	0.27	0.53	-
40	Tech Mahindra De Mexico S.D.E.R.L.D.E.C.V. (formerly known as Satyam Computers Services De Mexico S.D.E.R.L.D.E.C.V.)	Mexico	December	MXN	3.81	49.29	4.51	76.87	23.07	-	118.98	9.13	4.34	4.80	-
41	vCustomer Philippines, Inc.	Philippines	-	PHP	1.44	13.93	227.00	312.21	71.28	13.70	649.77	62.93	12.78	50.15	-
42	vCustomer Philippines (Cebu), Inc.	Philippines	-	PHP	1.44	13.70	130.86	464.24	319.67	-	770.68	68.58	0.35	68.23	-
43	Tech Mahindra Servicos De Informatica Ltda.	Brazil	-	BRL	18.44	904.14	(397.43)	1,513.88	1,002.17	-	833.49	(259.00)	-	(259.00)	-
44	Satyam Colombia Servicios De Informatica S.A.S (refer note (iv) below)	Colombia	December	COP	0.02	0.86	1.12	2.28	0.30	-	-	(0.02)	0.02	(0.05)	-
45	Complex IT Solution Consultoria EM Informatica S.A.	Brazil	-	BRL	18.44	92.20	(94.98)	731.66	734.45	-	1,705.06	(25.68)	-	(225.68)	-
46	Tech Mahindra (CT Services (Malaysia) SDN. BHD.	Malaysia	-	MYR	16.95	180.61	427.06	727.27	119.60	-	1,673.09	303.92	0.21	303.71	-
47	FixStream Networks Inc.	USA	-	USD	66.26	2.34	(49.57)	470.88	918.12	2.79	0.63	(430.20)	(183.97)	(246.23)	-
48	Quesxa Systems Private Limited	India	-	INR	1.00	0.17	11.34	20.77	9.26	-	74.52	9.39	2.90	6.49	-
49	techM Canada Inc. (refer note iii(a) below)	Canada	-	CAD	-	-	-	-	-	-	-	-	-	-	-
50	Mahindra Technologies Services Inc.	USA	-	USD	66.26	69.57	78.09	156.08	8.43	-	306.20	15.84	4.93	10.90	-
51	Mahindra Engineering Services (Europe) Limited	UK	-	GBP	95.52	6.21	190.61	656.80	459.97	-	328.37	(14.82)	10.89	(25.71)	-
52	Mahindra Engineering GmbH (refer note ii(b) below)	Germany	-	EUR	-	-	-	-	-	-	-	-	-	-	-
53	Sofgen Holdings Limited (including its subsidiaries)	Cyprus	-	USD	66.26	103.13	(18.45)	1,666.43	1,581.74	4.18	2,764.24	(193.19)	44.08	(237.28)	-
54	Tech Mahindra DRC SARL	Congo DRC	December	CDF	0.07	6.56	18.58	331.24	306.10	-	134.98	25.39	7.37	18.02	-
55	Nth Dimension Ltd	UK	-	GBP	95.52	0.00	66.18	422.39	356.21	-	478.65	85.55	17.23	68.33	-
56	Tech Mahindra Arabia Limited	Kingdom of Saudi Arabia	-	SAR	17.67	17.67	(14.49)	31.72	28.54	-	(14.56)	-	(14.56)	-	51.00%
57	Tech Mahindra Netherlands B.V.	Netherlands	-	EUR	75.41	3.47	(0.33)	3.47	0.33	-	-	(0.31)	-	(0.31)	-
58	Tech Mahindra Growth Factories Limited	India	-	INR	1.00	97.50	(48.73)	71.14	28.37	-	0.88	(48.73)	-	(48.73)	-
59	Tech Mahindra France SAS	France	-	EUR	75.41	7.54	(0.37)	7.54	0.37	-	(0.35)	-	(0.35)	-	100.00%
60	Tech Mahindra Sweden AB	Sweden	-	SEK	8.17	0.41	-	0.41	-	-	-	-	-	-	100.00%

Notes:

i) Following subsidiaries have been amalgamated with Tech Mahindra Limited w.e.f April 1, 2015. (refer note 35)

a) Tech Mahindra BPO Limited

b) New vC Services Private Limited

ii) Tech Mahindra Engineering GmbH has been merged with Tech Mahindra GmbH w.e.f. April 1, 2015. (refer note 28.A.(xii))

iii) Following subsidiaries are yet to commence operations and no share capital has been infused as at March 31, 2016 (refer note 28.B)

a) TechM Canada Inc.

b) Tapio Inc

c) Terra Payment Services South Africa (Pty) LTD.

d) Mobex Money Transfer Limited

e) Terra Payment Services (Tanzania) Limited

f) Terra Payment Services (Uganda) Limited

g) Terrapay Services (UK) Limited

iv) During the year ended March 31, 2016, following entities have been closed/liquidated:

**Name of Entities**

Satyam Computer Services (Egypt) S.A.E  
 Satyam Colombia Servicios DE Informatica SAS  
 100% subsidiaries of Lightbridge Communications Corporation

- Opticore Holdings, Inc.
- Opticore Networks, Inc.
- Opticore Networks EMA, LLC
- Opticore EWA, LLC
- LCC Diseno y Servicios Argentina, SRL
- Burgundy Holding Corporation
- LCC Wireless Design Services, Inc
- Wireless Facilities International Ltd
- LCC Wireless Services Canada, Inc
- LCC Middle East Holdings, B.V.
- LCC Colombia LTDA
- Leadcom Integrated Solutions USA Inc.
- LCC Diseno y Servicios Chile

Leadcom Integrated Solutions USA Inc.

LCC Diseno y Servicios Chile

v) With effect from December 31, 2015, 100% stake of Leadcom Telecommunicaciones de Chile S.A. (a 100% subsidiary of Lightbridge Communications Corporation) has been disinvested.

vi) The following Section 8 companies have not been included in the above statement

- a) Tech Mahindra Foundation (refer Note 30.A.)
- b) Mahindra Educational Institutions (refer Note 30.A.)

vii) Others

- a) ATS Advanced Technologies Solutions S.A. (ATS-AR) has been acquired by Comviva Technologies B.V. with effect from February 01, 2016 (refer note 31.2(vii)) which is not included in the above statement as ATS-AR has June as its statutory year end.
- b) ATS Advanced Technologies Solutions do Brasil Industria, Comercio, importacao y Exportacao LTDA (ATS-BR) has been acquired by Comviva Technologies B.V. with effect from February 01, 2016 (refer note 31.2(vii)) which is not included in the above statement as ATS-BR has December as its statutory year end.
- viii) All Profit and loss items have been converted at average rates and Balance sheet items have been converted at the close rates

Part "B": Associates

Sr. no.	Name of the Associate	Latest audited Balance Sheet Date #	Shares of Associate held by the company on the year end		Description of how there is significant influence	Reason why the associate 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				Considered in Consolidation	Not Considered in Consolidation
1	Avion Networks, Inc	March 31, 2016	600,000	185.61	30%	By Board and equity holding	199.43	0.17	Not Applicable
2	SARL Djazattech (including its 100% subsidiary)	March 31, 2016	1,225	43.68	49%	Equity holding	(0.63)	27.40	Not Applicable
3	IQS Information Solutions WLL	December 31, 2015	720	1.27	20%	Equity holding	(1.61)	(1.27)	Not Applicable

# This information is based on the year ending of the respective entities.

**Part "C": Joint Venture** - There are no Joint Ventures in the Group.

## Part "A": Subsidiaries

Sr. No.	Name of the Subsidiary	Country	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Report- ing Cur- rency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Invest- ments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	(Amount in ₹ Million)		
														Proposed Dividend	% of effective holding of Tech Mahindra Limited	
1	Tech Mahindra (Americas) Inc.	USA	-	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 Talents Inc.	USA	-	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	-	USD	62.50	6.25	(46.52)	206.17	206.44	-	116.62	(68.97)	(23.44)	(45.54)	-	100.00%
4	Tech Mahindra GmbH	Germany	-	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	-	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	-	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	-	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	-	USD	62.50	31.25	844.09	1,341.61	466.32	-	1,387.83	404.36	108.93	266.53	-	100.00%
9	Tech Mahindra (Malaysia) SDN. BHD.	Malaysia	-	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	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	-	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	-	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	-	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	Conniva Technologies Limited	India	-	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	Conniva Technologies Inc.	USA	December	USD	63.04	6.59	5.94	27.55	15.02	-	107.30	3.18	0.43	2.75	-	67.12%
16	Conniva Technologies Nigeria Limited	Nigeria	-	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	-	NGN	0.31	0.78	(1.58)	0.25	1.05	-	-	(1.89)	-	(1.89)	-	50.34%
18	Conniva Technologies Singapore PTE. Ltd	Singapore	-	SGD	45.46	0.05	(4.09)	27.82	31.87	-	7.29	(1.68)	-	(1.68)	-	67.12%
19	Conniva Technologies FZ LLC	Dubai	-	AED	17.05	0.94	(39.14)	536.06	574.39	-	574.69	(52.71)	-	(52.71)	-	67.12%
20	Tech Mahindra South Africa (Pty) Limited	South Africa	-	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	-	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	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	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	-	USD	62.50	62.50	(2.57)	246.35	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	EGP	8.82	13.11	(108.53)	18.68	114.10	-	-	0.13	-	0.13	-	100.00%
26	Citisoft Plc.	UK	-	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	-	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	Belgium	-	EUR	67.20	-	-	0.03	0.03	-	-	(3.92)	-	(3.92)	-	100.00%
29	Satyam Venture Engineering Services Private Limited	India	-	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	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	-	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.D.R.L.D.C.V.	Mexico	December	MXN	4.29	29.60	(0.00)	29.60	-	-	(0.00)	-	-	(0.00)	-	100.00%
33	vCustomer Services LLC (refer note iv below)	USA	-	USD	62.50	-	-	-	-	-	-	-	-	-	-	100.00%
34	New IC Services Private Limited	India	-	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	-	PHP	1.40	13.52	166.28	250.27	13.30	515.43	9.62	3.62	6.00	-	100.00%	
36	vCustomer Philippines (Cebu), Inc.	Philippines	-	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 LTD.	Brazil	-	BRL	19.36	539.91	(139.47)	1,154.17	733.72	241.73	995.15	(159.50)	-	(159.50)	-	100.00%
38	Satyam Colombia Servicios De Informatica SAS	Colombia	December	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	Brazil	-	BRL	19.36	96.80	137.77	855.29	260.72	-	4,016.63	121.65	24.96	96.70	-	100.00%
	Informatica S.A.															

Annexure-II

(F.Y. 2014-2015)

Sr. No.	Name of the Subsidiary	Country	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Report- ing Cur- rency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Invest- ments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of effective holding of Tech Mahindra Limited	
40	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	Malaysia	-	MYR	16.87	11.03	108.93	246.21	126.24	-	1,057.78	109.99	3.27	106.72	-	
41	FixStream Networks Inc.	USA	-	USD	62.50	1.33	(188.83)	463.02	650.52	2.63	15.26	(232.19)	(106.59)	(125.59)	-	100.00%
42	Quexa Systems Private Limited	India	-	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 (a) below)	Canada	-	CAD	-	-	-	-	-	-	-	-	-	-	-	100.00%
44	Mahindra Technologies Services Inc.	USA	-	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	-	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 Services GmbH	Germany	-	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 (b) below)	Congo DRC	December	CDF	-	-	-	-	-	-	-	-	-	-	-	100.00%

**Notes :**

- Following subsidiaries are yet to commence operations and no share capital has been infused as at March 31, 2015
  - TechM Canada Inc. (refer note 27(d))
  - Tech Mahindra DRC SARLU (refer note 27 (i))
- During the year ended March 31, 2015, following entities have been closed/liquidated:
  - Satyan Computer Services Belgium, BVBA has been dissolved on September 17, 2014 (refer note 28(d))
  - Mahindra Satyam Servicos DE Informatica S.R.L. has been liquidated (refer Note 28(b))
  - Mahindra Satyam Servicos DE Informatica Sociedad Anonima Cerrada has been liquidated (refer Note 28(b))
- The following Section 8 companies have not been included in the above statement
  - Tech Mahindra Foundation (refer Note 29)
  - Mahindra Educational Institutions (refer Note 29)
  - Customer Services LLC has been merged with Tech Mahindra (Americas) Inc with effect from February 02, 2015 (refer note 27(j))
- Others
  - 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.
  - 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.
- 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.
- All Profit and loss items have been converted at average rate and Balance sheet items have been converted at close rate

**Part "B": Associates**

Sr. no.	Name of the Associate	Latest audited Balance Sheet Date <sup>#</sup>	Shares of Associate held by the company on the year end	Description of how there is significant influence	Reason why the associate is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit / (Loss) for the year	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	N.A.

# This information is based on the year ending of the respective entities.

Part "C": **Joint Venture** - There are no Joint Ventures in the Group.

## ASIA PACIFIC

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#### Tech Mahindra Ltd.

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