

**July 4, 2019**

To,  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
**Scrip Code : 532755**

**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  
**NSE Symbol : TECHM**

**Subject: Notice of 32<sup>nd</sup> Annual General Meeting (AGM), Annual Report for the financial year 2018-19 & Book Closure for AGM and Dividend.**

Dear Sir / Madam,

This is to inform you that the 32<sup>nd</sup> AGM of the members of the Company is scheduled on Wednesday, the 31<sup>st</sup> day of July, 2019 at 3.00 P.M. at Y. B. Chavan Auditorium, General Jagannath Bhosle Marg, Nariman Point, Mumbai - 400 021, India.

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), please find attached a copy of Annual Report for the financial year 2018-19 along with notice of the AGM for your information and records which is being dispatched to the shareholders of the Company.

Pursuant to Regulation 42 of SEBI Listing Regulations, Register of Members and Share Transfer Books will remain closed from Saturday, July 27, 2019 to Wednesday, July 31, 2019 (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**

  
**Anil Khatri**  
Company Secretary



**Encl: as above**



# EXPERIENCE **TECHMNXT**

ANNUAL REPORT

**2018-2019**

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Last year, we introduced TechMNXT to build a future ready Tech Mahindra.

Among other dimensions of TechMNXT, in the year 2018-2019, we extended that philosophy to the people function powered by our own drive to FUTURise together, to build TECHMHRNXT. This was envisaged as being disruptive, challenging all conventions and building a culture of innovation and empowerment for all our associates. We embarked on a journey focused on convergence of technology and empathy powering the next generation of human experiences. We embraced and empowered diversity, we launched programs that help our associates to live, learn and lead better lives.

Together we created our culture statement,  
our light house to guide us everyday as TechMighties,

“We drive positive change, celebrate each moment  
and empower all to **RISE™**.”

**CORPORATE INFORMATION****Board of Directors**

Mr. Anand G. Mahindra, Chairman

Mr. Vineet Nayyar, Vice Chairman  
(upto July 31, 2018)

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

Mr. Anupam Puri

Mr. M. Damodaran

Mrs. M. Rajyalakshmi Rao

Ms. Mukti Khaire  
(w.e.f. April 19, 2019)

Mr. Ravindra Kulkarni

Mr. T. N. Manoharan

Mr. Ulhas N. Yargop

Mr. V. S. Parthasarathy

**Chief Financial Officer**

Mr. Manoj Bhat

**Company Secretary & Compliance Officer**

Mr. Anil Khatri

**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.

HSBC Bank Ltd.

ICICI Bank Ltd.

Kotak Mahindra Bank Ltd.

Standard Chartered Bank

State Bank of India

JP Morgan Chase Bank N.A.

The Bank of Nova Scotia

Yes Bank Ltd.

**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. M. Damodaran, Chairman
- Mr. C. P. Gurnani
- Mr. Ravindra Kulkarni
- Mr. Ulhas N. Yargop
- Mr. V. S. Parthasarathy

**Corporate Social Responsibility Committee**

- Mr. C. P. Gurnani, 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. C. P. Gurnani
- Mr. Anupam Puri
- Mr. Ulhas N. Yargop
- Mr. V. S. Parthasarathy

**Securities Allotment Committee**

- Mr. Ravindra Kulkarni, Chairman
- Mr. C. P. Gurnani
- Mr. Ulhas N. Yargop

**Auditors**

B S R & Co. LLP

Chartered Accountants

## MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER'S COMMUNIQUE



**C. P. Gurnani**

Managing Director & Chief Executive Officer

### *Creating a Company with a Purpose*

#### **Dear Shareholders**

Last year, we commenced on a journey of transformation where we relentlessly focused on execution while maintaining our goal of being a Next Gen Services Partner through TechMNxt. It is with great pride that we look back at our FY19's digital transformation journey. We had a significant uptick in our digital share, our digital revenues registered a growth of over 41% annually and we were recognized with one of the biggest rankings worldwide - listed among the top 15 companies in the Forbes Digital 100, a ranking of organisations that are shaping the digital economy. Your company was also the highest-ranked non-US company in the list.

#### **Partner Ecosystem: Grow beyond the sum**

Technology drives demand, and demand drives more technology. We live in a world where customer needs are getting more specialized, more complex and collaboration is the key to managing this new ecosystem. Today, through TechMNxt, we work with some of the best startups in emerging technology areas like Artificial Intelligence, Machine Learning, IoT, Blockchain and many others. Our rich partner program enables adoption of assorted technologies creating better solutions and services for customers and more importantly, paving the way for collaborative disruption.

We had a satisfactory year with revenue growth coupled with significant margin expansion. We ended the year with a revenue growth of 12.9% at INR 34,742 crores and our profit after tax was INR 4,298 crores up by 13% from FY18. In dollar terms, we ended the year with revenue of USD 4,970.5 Mn representing a growth of 4.2% and constant currency growth of 5.8%. This year has been a milestone year in many aspects. We ended the year with 290 bps improvement in EBITDA margin over FY18. Our strategy of growing verticals outside of Communications has paid off, with the Manufacturing vertical now crossing one billion dollars in Revenue in FY19. With our relentless focus on cash conversion, we generated a record free cash flows of INR 3,708 crores in FY19. We also initiated our maiden Share Buyback this year as part of our capital allocation policy.

During the course of the year, we saw a turnaround in our communication business with a growth of 3.8% CQGR between Q1 & Q4 FY 2019. We continue to expand our industry leading capabilities in Communication business as we position ourselves to capture the '5G Wave'. We have been investing in developing capabilities and partnerships addressing multiple facets of 5G roll-out and our investments in AltioStar or Rakuten 5G testing lab are examples of our commitment in this area.

Our Enterprise business grew at industry rates of 8.0% YoY and growth of 9.7% on constant currency basis in FY19. We continue to add capabilities through acquisitions such as in Inter-Informatics Group and Dynacommerce that are focused on sharpening our abilities in key areas. We also optimized efficiency in our

portfolio companies while driving synergy deals leading to improvement in growth and margins.

## Sustainability : Key Focus

Creating sustainable value and outperforming the competition has never been more challenging. Empowered customers are defining business on their own terms. Business leaders need to ask themselves:

- How can I increase profitability by doing more with less?
- What does it mean to be a responsible business in a digital world?
- How can I measure and share a positive impact on society?

To address these, we have integrated sustainability into our company's core strategy. Tech Mahindra believes in extending its radius of responsibility beyond immediate benefit to long-term good.

At the Global Climate Action Summit 2018, anchored by Mission 2020 consortium, your Company, along with twenty-one global digital powerhouses, announced the launch of the Step Up Declaration, a new alliance dedicated to harnessing the power of the fourth industrial revolution, to help reduce greenhouse gas emissions across all economic sectors and ensure a climate turning point by 2020.

We are focused on leveraging technology to provide green solutions that spur responsible growth, and in India, we are actively engaged in various Smart City projects in Gandhinagar, Kanpur, Jaipur and the Pimpri Chinchwad belt in Maharashtra. Combined with our global Managed Services capabilities and an industry-leading ecosystem of partners, we are a single window partner for concept to roll out to management for Smart City solutions.

## Rise for Good

Tech Mahindra Limited implements all its Corporate Social Responsibility activities through Tech Mahindra Foundation, a Section 25 company (referred to as a Section 8 Company in the Indian Companies Act, 2013). The Foundation's social work currently focuses on school and higher technical education, employability, and disability. As on March 31, 2019, the Foundation was running more than 150 projects across 11 locations in India and during 2018-19, the Foundation impacted over 36,723 primary beneficiaries. The initiatives under the higher technical education are carried out through Mahindra Educational Institutions (MEI).

**Employability:** SMART (Skills for Market Training) is the Foundation's flagship employability programme, currently at 100 centres and growing. The employability programme trained close to 19,000 youth in 2018-19 who completed their training in various courses.

**Education:** Initiatives in ARISE (All-Round Improvement in School Education) and ARISE+ positively impacted 16,000 students. We also trained 2,493 teachers under the Shikshaantar project in 2018-19.

**Disability:** During 2018-19, the Foundation supported 3,960 persons with disabilities. SMART+ trained 1,477 young men and women and helped them find dignified jobs. ARISE+ supported 2,483 children with disabilities enabling them to continue with their choice of education.

**Corporate Volunteering:** In 2018-19, 31,830 Tech Mahindra associates contributed 164,278 hours of volunteering through a robust corporate volunteering programme across locations.

## Company With a Purpose

Finally, I wish to share that our journey towards being and becoming a *Company with a Purpose* found new strengths as we adopted sustainability as a way of life and made people embrace greater responsibility at Tech Mahindra this year. 2018-19 returned us hundreds of stories of TechMighties coming forward in the areas of corporate sustainability as well as corporate and individual social responsibility. We have been able to both do well and do good, and earn recognition and appreciation for that. Whether it is sustained efforts in the areas of green and blue, focused efforts in schools and skills as a Company, or personal acts of responsibility in everyday life, we have been successful in building a better world than the one we found. It is one of the most satisfying, humbling and gratifying aspects of what we do at TechM.

I sincerely thank all our stakeholders, our customers, our employees and our shareholders for their unstinting support and guidance. As I look into the new Fiscal 19-20, I am excited about the disruptions that lie ahead and the opportunities that your company can leverage.

Sincerely



Place: Mumbai  
Date: May 21, 2019

C. P. Gurnani

BOARD OF DIRECTORS



Standing in front row (L to R):

- Mr. V. S. Parthasarathy - Non-Executive Director
- Ms. Mukti Khaire - Non-Executive Director
- Mr. C. P. Gurnani - Managing Director & CEO
- Mr. Ulhas N. Yargop - Non-Executive Director
- Mrs. M. Rajyalakshmi Rao - Independent Director

Standing in back row (R to L):

- Mr. Anand G. Mahindra - Chairman
- Mr. T. N. Manoharan - Independent Director
- Mr. Anupam Puri - Independent Director
- Mr. Ravindra Kulkarni - Independent Director
- Mr. M. Damodaran - Independent Director

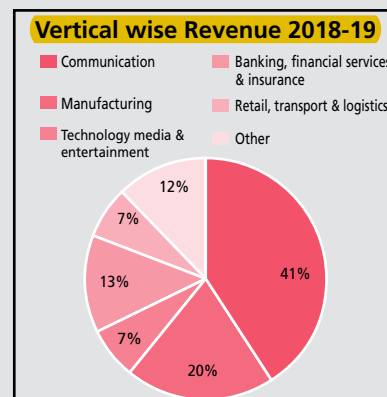
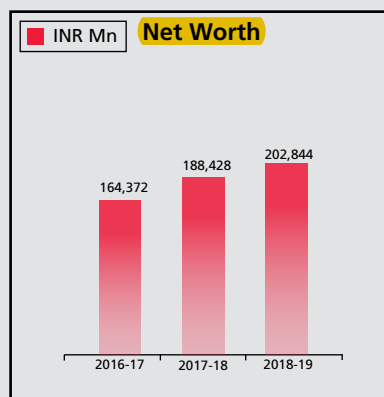
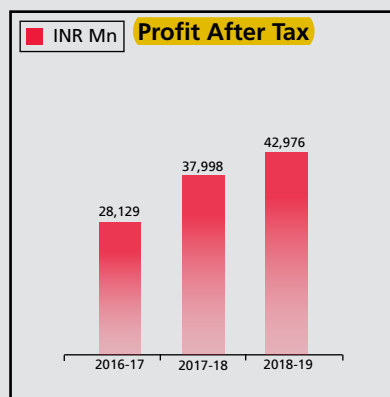
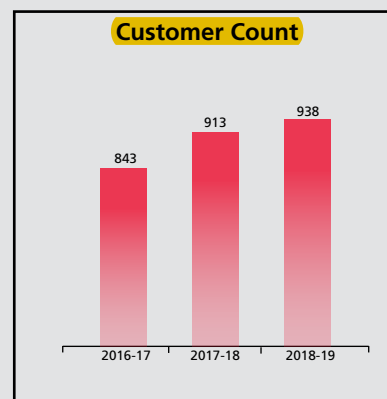
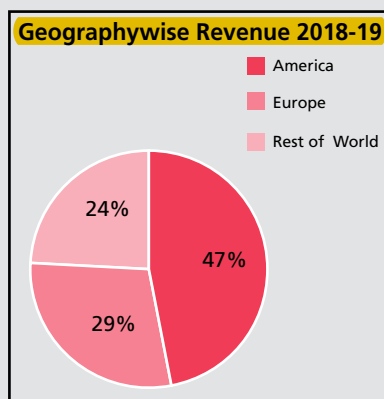
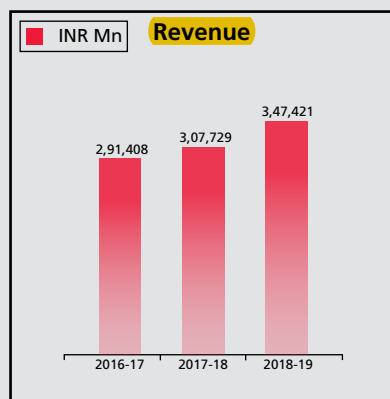
## CONSOLIDATED FINANCIAL PERFORMANCE FOR LAST THREE YEARS

| Sr. No. | Particulars                                                                | 2016-17 |         | 2017-18 |         | 2018-19 |         |
|---------|----------------------------------------------------------------------------|---------|---------|---------|---------|---------|---------|
|         |                                                                            | ₹ Mn    | US\$ Mn | ₹ Mn    | US\$ Mn | ₹ Mn    | US\$ Mn |
| 1       | Revenue                                                                    | 291,408 | 4,351.1 | 307,729 | 4,770.8 | 347,421 | 4,970.5 |
| 2       | Total Income                                                               | 299,184 | 4,466.4 | 321,894 | 4,990.3 | 352,763 | 5,046.7 |
| 3       | EBIDTA                                                                     | 41,844  | 625.3   | 47,096  | 728.9   | 63,369  | 905.9   |
| 4       | PBIT                                                                       | 39,816  | 594.2   | 50,412  | 780.3   | 56,763  | 811.4   |
| 5       | Interest                                                                   | 1,286   | 19.2    | 1,624   | 25.1    | 1,332   | 19.0    |
| 6       | PBT                                                                        | 38,530  | 575.0   | 48,788  | 755.1   | 55,432  | 792.4   |
| 7       | PAT after share of profit/(loss) in Associate and before Minority interest | 28,509  | 425.1   | 37,862  | 585.9   | 42,888  | 613.4   |
| 8       | PAT *                                                                      | 28,129  | 419.5   | 37,998  | 588.1   | 42,976  | 614.6   |
| 9       | EBIDTA Margin %                                                            | 14.4%   | 14.4%   | 15.3%   | 15.3%   | 18.2%   | 18.2%   |
| 10      | PAT Margin %                                                               | 9.7%    | 9.7%    | 12.3%   | 12.3%   | 12.4%   | 12.4%   |
| 11      | Equity Capital                                                             | 4,388   | 67.7    | 4,417   | 67.8    | 4,437   | 64.17   |
| 12      | Net Worth                                                                  | 164,372 | 2,534.9 | 188,428 | 2,891.3 | 202,844 | 2,933.2 |
| 13      | Net Block Including CWIP                                                   | 41,040  | 632.9   | 48,990  | 751.7   | 43,504  | 629.1   |
| 14      | Investments                                                                | 24,965  | 385.0   | 50,313  | 772.0   | 75,127  | 1,086.4 |
| 15      | Current Assets                                                             | 163,265 | 2,517.8 | 181,070 | 2,778.4 | 215,658 | 3,118.5 |
| 16      | Current Liabilities & Provisions                                           | 63,929  | 985.9   | 79,167  | 1,214.8 | 103,312 | 1,493.9 |
| 17      | Total Assets                                                               | 260,665 | 4,019.8 | 304,372 | 4,670.4 | 334,469 | 4,836.5 |
| 18      | Current Ratio                                                              | 2.6     | 2.6     | 2.3     | 2.3     | 2.1     | 2.1     |
| 19      | ROCE % #                                                                   | 23.8%   | 23.8%   | 25.8%   | 25.8%   | 26.4%   | 26.4%   |
| 20      | EPS (Diluted, in ₹ and US\$)                                               | 31.6    | 0.5     | 42.7    | 0.7     | 47.7    | 0.7     |

# ROCE% = PBIT/Average capital employed

\* Share of the owners of the Company

Previous period figures have been regrouped/rearranged wherever necessary.





***Creating a pool of talented workforce...***

SMART (Skills for Market Training) is Tech Mahindra Foundation's flagship employability programme, with 100+ centres providing skill development across 11 cities. Afrumus Pasha, a student of Shishu Mandir SMART T (SMART Technical) center, Bangalore training to be an Electrician.

## DIRECTORS' REPORT

Your Directors present their Thirty Second Annual Report together with the audited accounts of your Company for the year ended March 31, 2019.

### FINANCIAL RESULTS (STANDALONE)

|                                                                                 | (₹ in Million)        |                       |
|---------------------------------------------------------------------------------|-----------------------|-----------------------|
| For the year ended March 31                                                     | 2019                  | 2018                  |
| Income                                                                          | 281,797               | 254,202               |
| Profit before Interest, Depreciation and tax                                    | 61,291                | 56,273                |
| Interest                                                                        | (431)                 | (708)                 |
| Depreciation                                                                    | (6,587)               | (6,563)               |
| Profit Before Tax                                                               | 54,273                | 49,002                |
| Provision for taxation                                                          | (10,469)              | (9,063)               |
| Profit after tax                                                                | 43,804                | 39,939                |
| Other Comprehensive Income                                                      | 1,670                 | (4,196)               |
| Balance brought forward from previous year                                      | 150,495               | 120,813               |
| Profit available for appropriation                                              | 194,307               | 160,880               |
| Final Dividend Including tax                                                    | (16,411) <sup>1</sup> | (10,361) <sup>2</sup> |
| Transfer from Share Option Outstanding Account                                  | 62                    | 51                    |
| Others*                                                                         | 23                    | (33)                  |
| Transferred to Special Economic Zone re-investment reserve (net of utilisation) | (5,928)               | (42)                  |
| Contractual Obligation for Buy back                                             | (103)                 | -                     |
| Balance carried forward                                                         | 171,950               | 150,495               |

<sup>1</sup> Dividend for the financial year ended March 31, 2018

<sup>2</sup> Dividend for the financial year ended March 31, 2017

\* The business of the Sofgen UK was transferred to Tech Mahindra UK branch based on Business Transfer Agreement and Sofgen India Private Limited has been merged with Tech Mahindra Limited (refer note 33 to the financial statements).

### DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 14/- per Equity Share (280%), payable to those Shareholders whose names appear in the Register of Members as on the Book Closure Date.

Your Company has formulated a Dividend Policy as provided at "Annexure I" to this Report and the same is disclosed on the website of the Company at <https://www.techmahindra.com/sites/ResourceCenter/brochures/investors/corporategovernance/Dividend-Policy.pdf>.

### SHARE CAPITAL

During the year under review, your Company allotted 3,628,662 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 ₹ 4,898.67 Million divided into 979,733,808 equity shares of ₹ 5/- each to ₹ 4,916.81 Million divided into 983,362,470 equity shares of ₹ 5/- each.

### BUSINESS PERFORMANCE / FINANCIAL OVERVIEW

Your Company's goal is to enable connected experience in the connected world, by offering innovative and

customer-centric information technology experiences, enabling Enterprises, Associates and the Society to Rise. The Company has presence across 90 countries and helps over 900 global customers including Fortune 500 Companies. The Company's convergent, digital, design experiences, innovation platforms and reusable assets connect across a number of technologies to deliver tangible business value and experiences to the stakeholders.

During the Financial Year 2018-19, the Company's consolidated revenues increased to ₹ 347,421 Million from ₹ 307,729 Million in the previous year, a growth of 12.9%. The geographic split of revenue is well balanced across regions, with 47.3% share from the Americas, 29.3% share from Europe and 23.4% from the Rest of the World.

The consolidated Profit including other income before Interest, Depreciation and Tax was at ₹ 68,056 Million, against ₹ 61,262 Million in the previous year.

The consolidated Profit after Tax, amounted to ₹ 42,888 Million as against ₹ 37,862 Million in the previous year.

In the demanding, new digitally connected world, Tech Mahindra is helping its clients navigate their transformational journey with its wide range of offerings in Blockchain, Machine Learning, Artificial Intelligence, Cloud, Cyber Security, Quantum computing and IoT. The Company has also progressed in building intellectual property through various Products & Services and Platforms. The Company is committed towards building a synergistic relationship with its partners to enable deliver complete and customized solutions to its customers.

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

## ACQUISITIONS

### Inter Informatics Group (IIG)

The Company, on August 22, 2018, through its wholly owned subsidiary Mahindra Engineering Services (Europe) Limited, acquired 100% of the share capital of Inter-Informatics spol. s.r.o, a Czech entity providing design and engineering services to clients in the Aerospace, Rail and Machinery industries. IIG has offices in the Czech Republic and Romania and is expected to bolster Tech Mahindra's capabilities and presence in Europe.

### Dynacommerce

The Company, on February 01, 2019, entered into an agreement to acquire 100% of the share capital of Dynacommerce Holding B.V, a Dutch entity engaged in providing platforms and services to telecom end clients. The turnover of Dynacommerce for its fiscal year ended December 31, 2018 was ~EUR 9.15 Million. Dynacommerce has offices in The Netherlands, Germany and India. The transaction was concluded on May 9, 2019.

### K- Vision

The Company, on March 14, 2019, through its wholly owned subsidiary Mahindra Engineering Services (Europe) Limited entered into an agreement to acquire 100% of the share capital of K-Vision Co., Ltd, a Japanese corporation engaged in providing network services to telecom clients in Japan. For the 12-month period ending January 31, 2019, K- Vision earned revenue of USD 4.8 Million. Tech Mahindra expects to leverage the local presence and expertise of K-Vision to build its network services business in Japan. In the near term, it will help the Company in supporting the 4G and 5G network build and roll-out in Japan for large telecom players.

## DETAILS OF SUBSIDIARIES/JOINT VENTURES/ ASSOCIATE COMPANIES

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

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 III" to this report. The Company is actively pursuing the initiative on consolidation of its subsidiaries/branches to optimise the operational costs and reduce the compliance risks. During the year under review, your Company has closed/merged /filed for strike off/liquidation of 29 subsidiaries.

Tech Mahindra (Americas) Inc. has been identified as material subsidiary of the Company. The policy for determining Material Subsidiaries formulated by the Board of Directors is hosted on the Company's website and is accessible on <https://www.techmahindra.com/sites/ResourceCenter/brochures/investors/corporategovernance/Policy-For-Determining-Material-Subsidiaries.pdf>.

## BUY BACK OF EQUITY SHARES

Pursuant to the approval of the Board of Directors on February 21, 2019, your Company announced the maiden share buyback of 20,585,000 equity shares of the Company representing approximately 2.09% of the total number of equity shares in the paid up capital of the Company, for an aggregate amount of ₹ 19,555,750,000/-, being 9.551% of the total paid up equity share capital and free reserves of the Company, at a price of ₹ 950 per equity share from the existing shareholders of the Company on a proportionate basis under the Tender Offer method in accordance with the provisions of Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998, the Companies Act, 2013 and rules made thereunder. The process was completed on April 15, 2019 and in compliance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 and Securities and Exchange Board of India (Depositories & Participants) Regulations, 2018 and the bye-laws framed thereunder the shares bought back were

extinguished on April 17, 2019 by reducing the issued and paid up capital of the Company.

## HUMAN RESOURCES

In the year 2018-19, the Company focused on building TechMNxt, the future ready Tech Mahindra. This envisaged being disruptive, challenging all conventions and building a culture of innovation and empowerment for all our associates. Various initiatives undertaken have touched all facets of our associate's journey from launching the world's first Artificial Intelligence (AI) based Talent Exchange Marketplace for better job opportunities and to making better systems for our employees for open conversations at C.A.R.E. Your Company has driven positive changes on learning, re-skilling and upskilling on top priority with focus on cutting-edge digital and niche skills.

## CULTURE

Your Company has consulted stakeholders far and wide and articulated/proliferated its culture as "We drive positive change, celebrate each moment and empower all to RISE." in alignment with the Mahindra core values. A culture of innovation, disruption, alternative thinking, mindfulness and most importantly empathy is in our culture code.

## GREAT PLACE TO WORK

Great Place to Work® Institute conducts research on workplace culture and recognizes leading workplaces in close to 60 countries.

Great Place to Work Certification is a gold standard that organizations aspire to achieve. Business leaders and researchers rely on Great Place to Work® metrics - the Trust Index and Culture Audit® to establish the standard that defines a great workplace. Your Company has been certified as a Great Place to Work.

## DIGITAL EXPERIENCE

Your Company is changing the way things work and has moved one step ahead of the edge.

Your Company has built the world's first AI based Talent Exchange marketplace to enable better fitment of employee skills with opportunities in the Company.

Your Company has taken another big step towards the future by rolling out Facial Recognition based attendance system across locations in India. Your face is now your digital identity. The recognition does not end there and goes on to capture moods of the employees through mood-o-meter, allowing the Company to assess the happiness at each location and fine tune right interventions as needed.

In line with the digitization focus, the entire Reward and Recognition process is digital and associates can share their rewards and pride on their respective social networks.

## CHANGING THE WAY WE LEARN

Learning is imbibed in the culture and DNA of your company. In addition to our traditional mechanisms, we have learnt new ways of learning. We learn from the young, we learn from the best in the world, we learn device-agnostically, we learn at our own pace, we enhance our learnings by working on real-time projects and we un-learn. We have invested in re-skilling and upskilling significantly in alignment with your Company vision of Digital Transformation.

Reverse Mentoring is the flagship programme where the senior leaders reach out to young leaders for learning, especially around social media and technology. This allows the senior leadership to stay abreast of latest happenings in the world.

Your Company is training its employees on the most sought-after and latest technologies. Ride With Pride is the future skilling initiative which covers 13 skills of the future including AI, RPA, Big data/ Analytics, CX, AR/VR, Cloud, IoT, Block Chain, BE, Platforms, Security, SDN/ NFV.

Your Company has created DEXT, a state-of-the-art learning platform for all its employees, which allows employees to learn courses from various platform such as EdX and Future skills where courses are taught by best in the world professors from MIT, Harvard and Stanford etc. DEXT is device agnostic allowing employees to access it from phone as well as desk at their own pace. It is the unified gateway for all learning contents from internal and external sources.

Your Company has also gone the extra mile through its innovative platform ExtraMile which helps employees to work on real-time company projects and prove their prowess.

## COMPANY THAT CARES

Your Company believes in the fundamentals of transparency and empathy which has helped it build a culture of recognition, open conversation and celebrations.

The Company launched C.A.R.E. a platform which provides a platform for associates to raise all types of non-operational issues from mental health to policy violations. The focus is on open conversation and providing quality resolutions. The resolutions are monitored by Chief People Officer.

Your Company believes in recognizing every great work done by its employees, about 44% of the employees were rewarded during the year against an industry average of 40%.

## QUALITY

Your Company continues its focus on quality and strives to exceed customer expectations at all times. During the year, it undertook CMMI Dev v1.3 (Capability Maturity Model Integration) (Development) assessment and was successfully assessed at L5. Similarly it underwent various upgrade and continuous evaluation audits for various standards during the year to meet client demands and enhance value delivery – Successfully assessed for, CMMI Dev v 1.3, Level 5, ISO 9001:2015 (Quality Management System), ISO 20000-1:2011 (Information Technology Service Management System), ISO 27001:2013 (Information Security Management System), TL9000 R 6.1/ R5.5 (Quality Management Systems for Tele Communications industry), ISO 13485:2016 (Quality Management Systems for medical devices), AS9100 Rev D (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 14001:2015 (International Organization for Standardization) and OHSAS 18001:2007 (Occupational Health and Safety Assessment Series) standards. Your Company is also certified on ISO 22301:2012 (Societal Security and Business Continuity Management System) 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 been assessed for implementation of high maturity 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 strengthened Process/Practice and Tools Industrialization of various Engineering activities for Development, Testing and Managed service portfolio to achieve standardization, better efficiency and best practices being implemented

across the businesses.

Your Company has continued to strengthen the process for transforming Quality Assurance processes to New Age Delivery processes with focus on re-usability and automation to achieve better customer experience and faster quality delivery. 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, 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. V. S. Parthasarathy, Director (DIN: 00125299) is liable to retire by rotation and offers himself for reappointment.

The tenure of Mr. Anupam Puri, Mr. M. Damodaran, Mr. T. N. Manoharan, Ms. M. Rajyalakshmi Rao and Mr. Ravindra Kulkarni who were appointed as Independent Directors of the Company on 1<sup>st</sup> August, 2014 would end on 31<sup>st</sup> July, 2019. Board of Directors has recommended the re-appointment of Mr. M. Damodaran (DIN: 02106990) up to 31<sup>st</sup> March, 2022 as Mr. Damodaran would attain the age of 75 years in the year 2022 and re-appointment of Mr. T. N. Manoharan (DIN: 01186248) and Ms. M. Rajyalakshmi Rao (DIN: 00009420) for a further period of 5 years subject to the approval of shareholders at the ensuing Annual General Meeting.

Your Directors co-opted Ms. Mukti Khaire (DIN: 08356551) as an Additional Director with effect from 19<sup>th</sup> April, 2019 whose term will end at the ensuing Annual General Meeting. Since Ms. Mukti Khaire meets the criteria of Independent Director, the Board recommended her appointment as an Independent Director for a period of 5 years subject to the approval of shareholders at the ensuing Annual General Meeting.

Mr. Anupam Puri and Mr. Ravindra Kulkarni Independent Directors have opted not to be re-appointed considering they would be attaining 75 years of age.

The Board places on record its sincere appreciation for the valuable advice and guidance of Mr. Anupam Puri and Mr. Ravindra Kulkarni during their tenure as Directors of the Company.

## Familiarisation Programme

These Programs aim to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company. The details of program for familiarisation of the Independent Directors with the Company are available on the Company's website and can be accessed at the web-link: <https://www.techmahindra.com/sites/ResourceCenter/brochures/investors/corporategovernance/Familiarization-Programme-to-Independent-Directors.pdf>.

The Board members are also regularly updated on changes in Corporate and Allied laws, Taxation laws and related matters through, presentations and updates made by the respective functional leaders. MD & CEO along with Senior leadership conducts quarterly session with board members sharing updates about the Company's business strategy, operations and the key trends in the IT industry relevant for the Company. These updates help the board members to abreast themselves with the key changes and their impact on the Company.

## Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 read with Schedule II, Part D of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has devised a policy on evaluation of performance of Board of Directors, Committees and Individual directors. Accordingly, the Chairman of the Nomination and Remuneration Committee obtained from all the board members duly filled in evaluation templates for evaluation of the Board as a whole, evaluation of the Committees and peer evaluation. The summary of the evaluation reports was presented to the respective Committees and the Board.

## Number of Meetings of the Board

The Board met 5 times during the financial year. The meeting details are provided in Corporate Governance report that forms part of this Annual Report. The maximum interval between any two meetings did not exceed 120 days as prescribed in the Companies Act, 2013.

## 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 Managerial Personnel and Senior Management and other Employees;

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

The policies are available on the Company's website and can be accessed at the web-link: <https://www.techmahindra.com/sites/ResourceCenter/brochures/investors/corporategovernance/Governance-Policies-including-remuneration-to-Directors-KMPS.pdf>.

## SUCCESSION PLAN

In accordance with the principles of transparency and consistency, your Company has adopted governance policies for Board of Directors, Key Managerial Personnel & Senior Management appointments, remuneration and evaluation. These governance policies inter alia outline Succession Planning for the Board, Key Managerial Personnel and Senior Management.

## Training

The Company has laid down a policy on training for Independent Directors, as part of the governance policies. The Senior Leadership of the Company update the directors on the regulatory changes, Business strategy and operations periodically.

## Key Managerial Personnel (KMPS)

Pursuant to provisions of Section 203 of the Companies Act, 2013, Mr. C. P. Gurnani, Managing Director & Chief Executive Officer, Mr. Milind Kulkarni, Chief Financial Officer up to 31<sup>st</sup> May, 2018 & Mr. Manoj Bhat, Chief Financial Officer from 1<sup>st</sup> June, 2018 and Mr. Anil Khatri, Company Secretary & Compliance Officer were the Key Managerial Personnel of the Company during the year under review.

## 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 selected such accounting policies 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, 2019 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.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

There are no significant and material orders passed by the regulators or courts or tribunal impacting the going concern status and the Company's operations in future.

#### **STATUTORY AUDITORS**

The members, at the 30<sup>th</sup> Annual General Meeting held on August 1, 2017, appointed M/s. B S R & Co. LLP, Chartered Accountants, [Firm's Registration No. 101248W/W-100022] as the Statutory Auditors ('BSR') of the Company, to hold office for a term of five years from the conclusion of the 30<sup>th</sup> Annual General Meeting (AGM) of the Company held in the financial year 2017-18 until the conclusion of the AGM of the Company for the financial year 2021-22 on such remuneration as may be determined by the Board of Directors.

The members may note that the Ministry of Corporate Affairs vide its notification dated 7<sup>th</sup> May, 2018, has done away with the requirement of yearly ratification of appointment of Statutory Auditors, at the AGM.

Pursuant to Section 139 of the Companies Act, 2013 the statutory auditors M/s. B S R & Co. LLP, Chartered Accountants have confirmed they are eligible to continue as auditors.

There are no qualifications, reservation or adverse remark or disclaimer made in the audit report for the Financial Year 2018-19.

#### **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 V**". There are no qualifications, reservation or adverse remark or disclaimer made in the Secretarial Audit Report.

#### **COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has complied with the applicable Secretarial Standards.

#### **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 VI**". The same is available at the web-link: [https://www.techmahindra.com/investors/annual\\_reports.aspx](https://www.techmahindra.com/investors/annual_reports.aspx). The Annual return will be uploaded on the website of the Company once it is filed with the Ministry of Corporate Affairs.

#### **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 as amended from time to time, are provided as "**Annexure VII**".

None of the directors or Managing Director & CEO of the Company, received any remuneration or commission from Subsidiary Companies of your Company.

The details of remuneration paid to the Directors including the Managing Director & CEO 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) & 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.

## PREVENTION OF SEXUAL HARASSMENT POLICY

Your Company laid down Prevention of 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 SCHEMES

During the year under review, there were no material changes in the Employee Stock Option Schemes (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 and can be accessed at the web-link: <http://www.techmahindra.com/sites/ResourceCenter/brochures/investors/corporategovernance/Details-of-ESOPs.pdf>.

## CORPORATE GOVERNANCE

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

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

## RISK MANAGEMENT

The Risk Management Committee of the Board of Directors periodically reviews the Risk Management framework, identifies 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, ("The Listing Regulations"), during the financial year were in the ordinary course of business and at an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no 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 Regulation 23 of the Listing Regulations. Suitable disclosure as required by the Indian Accounting Standards (Ind AS 24) 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 which can be accessed at the web-link: <https://www.techmahindra.com/sites/ResourceCenter/Brochures/investors/corporategovernance/Related-Party-Transactions-Policy.pdf>.

The particulars of related party transactions in prescribed Form AOC - 2 are attached as "Annexure VIII".

## 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 IX" 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 has constituted a Corporate Social Responsibility Committee. Your Board of Directors

laid down the CSR Policy, covering the Objectives, Focus Areas, Governance Structure and Monitoring & Reporting Framework among others. The Company has spent on CSR more than 2% of the average net profits of the Company. The policy is available at: <https://www.techmahindra.com/society/default.aspx>.

Your Company's social initiatives are carried out by Tech Mahindra Foundation and Mahindra Educational Institutions Section 8 (erstwhile Section 25) Companies promoted by the Company.

### **TECH MAHINDRA FOUNDATION (TMF)**

The Foundation was set up in 2007, as a Section 25 Company (referred to as a Section 8 Company in the Companies Act, 2013). Since then, it has worked tirelessly towards the vision of "Creating educated, skilled and able women and men as the country's true strength", establishing itself as a prominent CSR player within the Mahindra Group as well as a leading social organization at the national level. The Foundation essentially works with children, youth from urban locations, disadvantaged communities in India, with a special focus on women and persons with disabilities. During the year under review, Tech Mahindra Foundation has successfully steered 167 high-impact projects with 90+ partners, reaching out to 150,000+ children, teachers and youth across these locations.

**The key initiatives in the area of School Education include:**

#### **All Round Improvement in School Education (ARISE)**

Tech Mahindra Foundation's educational initiatives under ARISE are long-term school improvement programmes, in partnership with local governments and partner organisations. The Foundation in 2018-19 worked with approximately 40+ partner schools to turn them into model schools of excellence. ARISE+ is a variant of ARISE in which children with disabilities are provided chronic therapy as well as special education to help them lead more fulfilling lives.

#### **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 since 2013 to manage its In-Service Teacher Education Institute (ITEI), where teachers from nearly 400 primary schools receive quality training on a regular basis. Looking at the success of this intervention, the Foundation was invited by the North Delhi Municipal Corporation, which has over 700 schools, to run its ITEI as well. With this, the Foundation has the responsibility of training over 60% of primary school teachers in Delhi. In addition to these, the Foundation has also worked with Municipal Corporations in

Chennai, Hyderabad, Pune & Thane for strengthening capacities of government school teachers. Finally, the Foundation piloted an innovative program called English-Winglish under the Shikshaantar umbrella with the objective of imparting English communication skills to teachers from government schools that have recently been converted to English medium.

### **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 100 Centres at 11 locations across India. These include SMART Centres, SMART+ Centres (training for people with disabilities), and SMART-T Centres (training in technical trades).

In 2018-19, your Company trained close to 19,000 young women and men under its SMART program, of which 1,477 were persons with disabilities. More than 70% of the graduates are placed in jobs upon successful completion of the training, across multiple industries.

The feather in the Foundation's employability cap has been the Tech Mahindra SMART Academies for Healthcare that are operating in Delhi, Chandigarh and Mumbai. These Academies are setting a new benchmark in the country when it comes to the professional development of paramedical staff. During FY 2018-19, over 850 youngsters were admitted to these Academies. The Foundation has also been operating the SMART Academy for Digital Media and Logistics in Vizag, in which another 200 youth were admitted.

### **MAHINDRA EDUCATIONAL INSTITUTIONS (MEI)**

Mahindra École Centrale (MEC), College of Engineering, established by MEI in collaboration with École Centrale Paris (now CentraleSupélec) and JNTU Hyderabad, is set to graduate its second batch of students this year, after a successful five-year presence on the technical education landscape of the country, characterized by its rising popularity.

This high impact, Indo-French collaboration in engineering education has emerged as a disruptive player with its keen focus on Industry-aligned and industry-sponsored education; all Ph.D. faculty roster; global internships; international placements; and a distinct curriculum that includes the French language.

The Executive Council of MEC features leaders both from Tech Mahindra and the Mahindra Group. The MEC campus, surrounded by the sprawling green Tech

Mahindra Technology Centre in Hyderabad, India, is equipped with state-of-the-art academic infrastructure. To support its strong research vision, MEC has set up relevant high technology laboratories like the Robotics Lab, Super Computer Lab and Incubation Centre; in addition to Media and Design Thinking labs.

During the year 2018-19, MEC has signed MoU's with multiple universities in the USA like University of Florida, University of Nebraska at Omaha and it's in the process of signing MoU's with University of Texas at Austin, Georgia Tech, Atlanta, University of Wisconsin at Madison and many more. These MoU's are opening doors to MEC students to undertake 8-10 weeks of summer internships and faculty development programs overseas.

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

## SUSTAINABILITY

Sustainability for your Company is not just a business case but an imperative for the long-term success and growth of the Company. The focus on sustainability helps the Company manage its social and environmental impacts, improve operational efficiency and ensure that corporate decisions lead to a transparent, fair and equitable growth that does not infringe on the rights of the others.

Your Company is aware of its environmental and social responsibilities and work in collaboration with our stakeholders to build solutions that enable it to tread on the path of responsible growth. With a structured stakeholder engagement process, the company has been able to design strategies and initiatives, which does not just improve its sustainability credentials but reinforce its overall business philosophy too.

Tech Mahindra is moving towards carbon neutrality through various Sustainability initiatives and best practices. Making Sustainability Personal and Individual Social Responsibility are fundamental at Tech Mahindra. The emphasis on the green ecosystem is seen through its commitment to go carbon neutral, making optimum use of resources and moving towards a low emission technology. Your Company has taken ambitious emission targets, which have been approved by the SBTi (Science based Targets Initiative) and are taking various steps to achieve them.

The Company aims to reduce its carbon footprint by installing solar modules, retrofitting LEDs, installing motion sensors, using star-rated and efficient equipment and reducing, recycling and reusing waste. The Company also aims to decrease transport emissions by using improved logistics policies and through inventory control measures. Your Company has digitalized internal communications with virtual meetings through tele-

audio-conferencing that bring down meeting-related travel and other costs considerably.

Your Company's sustainability-focused areas are:

- **Going Carbon Neutral:** Increasing use of renewable energy; Improving Energy Efficiency; implementing carbon price; decreasing business travel; optimising logistics; moving towards low carbon economy and ensuring environmental stability
- **Saying No to plastic:** Using Biodegradable materials, encouraging associates also to use eco-friendly products, awareness on preventing single-use plastic
- **Reduce, Reuse, Recycle, Recover:** Implementing process of Reduce, Reuse, Recycle and Recover across the value chain to decrease waste
- **Sustainable supply chain:** Ensuring our suppliers follow the highest standards of sustainable and ethical best practices
- **Work-life balance:** Providing an assured career development path and a feasible work-life balance to our associates
- **Innovation:** Becoming future-ready by proactively encouraging Innovative thinking across the organization and going digital
- **Transparency:** Showcasing our organizational policies and processes in the TCFD based IR available online

Your company aims to pioneer new solutions for sustainable development while continuing to shape its business responsibly and increasing its economic success. Your company has invested in green solutions like smart grid, smart cities, smart waste management systems and electric vehicle charging systems. The company is also working with suppliers and vendors to cut down on logistics and transportation to reduce its emissions.

Your Company's commitment and performances are validated by the external recognition it has received. The leadership positions and achievements across platforms encourage the Company to strive for excellence even more.

- Identified as a global leader for Supplier Engagement by CDP 2018
- Member of DJSI World Index for 2018- one amongst only 4 Indian Companies to be listed
- One of the 10 Indian Companies who are part of the DJSI 2018 Emerging markets category
- Listed as a 'Rising Star' in the CDP's India Climate Change Leaders 2018
- Silver Class distinction for excellent sustainability performance in the RobecoSAM 2019 Sustainability Yearbook

- Constituent of the FTSE4 Good Emerging Index 2018
- Awarded “Prime” status in Oekom’s 2018 Sustainability Rating
- Winner of the Mahindra RISE Change Agent Sustainability Award 2018

The Sustainability reporting of your Company is based on various global standards and frameworks like TCFD (Taskforce on Climate Related Financial Disclosures), CDSB (Climate Disclosure Standards Board) and GRI (Global Reporting Initiative). The externally assured Tech Mahindra Integrated Reports can be accessed at: <http://www.techmahindra.com/company/Sustainability.aspx>.

## AWARDS AND RECOGNITION

Your Company continued its quest for excellence in its chosen area of business to emerge as a true global brand. Several awards and rankings continue to endorse your Company as a thought leader in the industry. The Awards / recognitions received by the Company during the year 2018-19 include:

- Ranked 15<sup>th</sup> on the Forbes Digital 100 list, and the highest-ranked non-US Company on the list.
- Mr. C. P. Gurnani recognized as ‘The Corporate Leader of the Year’ at the 14<sup>th</sup> Indo-American Corporate Excellence (I-ACE) Awards, and Best CEO of the Year in IT & ITES category by Business Today.
- Received the AICRA STEM Awards 2018 in the ‘Excellence in Automation’ category, recognizing the best automation system integrators in the business.
- Gold Winner at the CEO World Award in the ‘CEO Achievement of the Year’ category.
- Selected as ‘Brand of the Decade 2019’ by BARC Asia, a media research and rating agency.
- Awarded Golden Peacock Global Award for Excellence in Corporate Governance – 2018 by the Institute of Directors (IOD).

- Recognized as a gold winner for being the Most Innovative Cyber security Company at the Cybersecurity Excellence Awards 2019.
- Declared winner in the - Most innovative use of Blockchain for Social Good category of the India Blockchain Awards 2019.
- Featured in the Forbes Asia’s Fab 50 Companies List 2018.
- Included for the first time in the ET Brand Equity-Top 75 most valuable Brands 2018.
- Tech Mahindra Business Process Services recognized as a Leader in Customer Experience Services by Global Analyst Firm NelsonHall.
- One of the Top 10 Best Company for Women in India in the 2018 Working Mother & AVTAR 100 Best Companies List.
- Awarded the “Best International Organization in Skill Development” at the ASSOCHAM Skilling India Awards-2018.
- Tech Mahindra recognized as a leader in the Dow Jones Sustainability Indices 2018 for the fourth consecutive year.

## 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

Anand G. Mahindra  
Chairman  
(DIN: 00004695)

Place: Mumbai  
Date: May 21, 2019

## ANNEXURE I

### DIVIDEND POLICY

The dividend policy of the Company balances the objectives of rewarding the shareholders through dividends and retaining capital to invest in the growth of the Company.

The Board considers the yearly dividend based on the Net Profit after Tax (PAT) available for distribution as reported in the consolidated statutory financial statements prepared in accordance with the applicable Accounting Standards. In addition, the Board reviews the capital expenditure needs, cash requirements for investments in capability enhancements and future non organic growth initiatives.

The dividend is declared at the Annual General Meeting of the shareholders based on the recommendation by the Board. The Board may also declare an interim dividend for the benefit of the shareholders.

Your Company has a track record of steady increases in dividend declarations over its history. The current dividend policy is to distribute a minimum of 20% of the Profits after Tax each year under normal circumstances. The Board has the discretion to recommend a lower dividend in case the business demands it.

The Board may recommend special dividend on occasions of significance.

The dividend policy of the Company is reviewed periodically by the Board.

For and on behalf of the Board

Place: Mumbai  
Date: May 21, 2019

Anand G. Mahindra  
Chairman  
(DIN: 00004695)

**Tech Mahindra Limited**  
For the year ended March 31, 2019  
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/Associate Companies  
FORM NO. AOC-1

**ANNEXURE - II**

(F.Y. 2018-2019)

**Part "A": Subsidiaries**

(Amount in ₹ Million)

| Sr. No. | Name of the Subsidiary                                 | Country     | The date since when subsidiary was acquired | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Reporting Currency | Exchange Rate | Share Capital | Reserves & Surplus | Total Assets | Total Liabilities | Investments | Turnover  | Profit/ (Loss) before Taxation | Provision for Taxation | Profit/ (Loss) after Taxation | Proposed Dividend | % of effective holding of Tech Mahindra Limited |
|---------|--------------------------------------------------------|-------------|---------------------------------------------|---------------------------------------------------------------------------------------------------------|--------------------|---------------|---------------|--------------------|--------------|-------------------|-------------|-----------|--------------------------------|------------------------|-------------------------------|-------------------|-------------------------------------------------|
| 1       | Tech Mahindra (Americas) Inc.                          | USA         | Not Applicable                              | -                                                                                                       | USD                | 69.16         | 11,210.81     | 9,478.02           | 41,824.76    | 21,135.93         | 17,855.30   | 67,062.75 | 3,305.97                       | 850.37                 | 2,455.60                      | -                 | 100.00%                                         |
| 2       | Tech Talenta Inc.                                      | USA         | Not Applicable                              | -                                                                                                       | USD                | 69.16         | 34.58         | 240.13             | 375.23       | 100.52            | -           | 1,778.24  | 119.58                         | 30.29                  | 89.29                         | -                 | 100.00%                                         |
| 3       | LCC Wireless Communications Espana, SA                 | Spain       | January 02, 2015                            | -                                                                                                       | EUR                | 80.90         | 4.87          | 111.43             | 256.31       | 140.01            | -           | -         | 2.73                           | -                      | 2.73                          | -                 | 100.00%                                         |
| 4       | LCC CENTRAL AMERICA DE MEXICO, S.A. DE C.V.            | Mexico      | January 02, 2015                            | December                                                                                                | MXN                | 3.58          | 0.18          | (34.44)            | 1,454.38     | 1,488.64          | -           | 1,702.78  | (154.99)                       | -                      | (154.99)                      | -                 | 100.00%                                         |
| 5       | LCC Muscat LLC                                         | Oman        | January 02, 2015                            | -                                                                                                       | OMR                | 179.63        | 17.96         | 105.11             | 167.41       | 44.34             | 26.21       | 291.74    | 27.06                          | 4.10                   | 22.96                         | -                 | 100.00%                                         |
| 6       | LCC United Kingdom Limited                             | KSA         | January 02, 2015                            | December                                                                                                | SAR                | 18.60         | -             | 1,094.41           | 1,356.62     | 262.21            | -           | 970.01    | 24.03                          | 30.81                  | (6.79)                        | -                 | 100.00%                                         |
| 7       | LCC Saudi Telecom Services, Ltd.                       | KSA         | January 02, 2015                            | December                                                                                                | SAR                | 18.60         | 18.60         | 334.59             | 1,077.01     | 723.82            | -           | 2,007.38  | (102.14)                       | 36.87                  | (139.01)                      | -                 | 100.00%                                         |
| 8       | LCC Saudi Arabia Telecom Services Co. Ltd / Jordan WLL | Jordan      | January 02, 2015                            | December                                                                                                | JOD                | 97.68         | 1.47          | 10.01              | 44.24        | 32.77             | -           | 69.50     | 9.99                           | 1.98                   | 8.01                          | -                 | 100.00%                                         |
| 9       | Lightbridge Communications Corporations LLC            | Qatar       | January 02, 2015                            | -                                                                                                       | QAR                | 19.00         | 3.80          | (10.81)            | 7.37         | 14.38             | -           | -         | (1.71)                         | -                      | (1.71)                        | -                 | 49.00%                                          |
| 10      | LCC Middle East FZ-LLC                                 | UAE         | January 02, 2015                            | -                                                                                                       | AED                | 18.83         | 0.94          | (449.05)           | 440.46       | 888.58            | -           | 232.94    | (47.62)                        | 3.00                   | (50.62)                       | -                 | 100.00%                                         |
| 11      | LCC Wireless Communications Services Maroxx, SARL      | Morocco     | January 02, 2015                            | December                                                                                                | MAD                | 7.16          | 0.07          | (94.13)            | 10.49        | 104.55            | -           | -         | (17.82)                        | 0.65                   | (18.48)                       | -                 | 100.00%                                         |
| 12      | LCC Italia S.R.L.                                      | Italy       | January 02, 2015                            | December                                                                                                | EUR                | 79.83         | 13.25         | -                  | 20.50        | 7.25              | -           | 75.42     | (80.41)                        | -                      | (80.41)                       | -                 | 100.00%                                         |
| 13      | LCC Design and Deployment services Ltd                 | Greece      | January 02, 2015                            | December                                                                                                | EUR                | 79.83         | 1.44          | -                  | 73.31        | 71.87             | -           | 87.77     | 1.61                           | -                      | 1.61                          | -                 | 100.00%                                         |
| 14      | LCC Telecom GmbH                                       | Germany     | January 02, 2015                            | -                                                                                                       | EUR                | 80.90         | 40.45         | (40.45)            | 736.55       | 736.55            | -           | 2.63      | (77.30)                        | -                      | (77.30)                       | -                 | 100.00%                                         |
| 15      | LCC DEPLOYMENT SERVICES UK LTD                         | UK          | January 02, 2015                            | -                                                                                                       | GBP                | 90.41         | 455.88        | (360.97)           | 137.26       | 42.35             | -           | 341.07    | 10.49                          | -                      | 10.49                         | -                 | 100.00%                                         |
| 16      | LCC Network Services B.V.                              | Netherlands | January 02, 2015                            | -                                                                                                       | EUR                | 80.90         | 1.46          | (2,919.91)         | 63.78        | 2,982.23          | 0.00        | -         | (178.84)                       | -                      | (178.84)                      | -                 | 100.00%                                         |
| 17      | LCC North Central Europe B.V.                          | Netherlands | January 02, 2015                            | -                                                                                                       | EUR                | 80.90         | 1.46          | 49.80              | 144.52       | 93.25             | -           | 185.41    | 4.40                           | -                      | 4.40                          | -                 | 100.00%                                         |
| 18      | LCC Europe B.V.                                        | Netherlands | January 02, 2015                            | -                                                                                                       | EUR                | 80.90         | 0.01          | (543.99)           | 5,032.97     | 5,576.95          | 1,046.95    | -         | (45.92)                        | -                      | (45.92)                       | -                 | 100.00%                                         |
| 19      | LCC Networks Poland Sp.z o.o                           | Poland      | January 02, 2015                            | December                                                                                                | PLN                | 18.06         | 0.18          | (14.21)            | 22.56        | 36.59             | -           | 70.13     | (0.26)                         | -                      | (0.26)                        | -                 | 100.00%                                         |
| 20      | LCC France SARL                                        | France      | January 02, 2015                            | -                                                                                                       | EUR                | 80.90         | 21.44         | 55.14              | 562.42       | 485.84            | -           | 910.03    | 1.95                           | 0.84                   | 1.11                          | -                 | 100.00%                                         |
| 21      | LCC Telekomunikasyon Servis Limited                    | Turkey      | January 02, 2015                            | -                                                                                                       | TRY                | 12.25         | 7.97          | (161.78)           | (106.60)     | 47.22             | -           | -         | (9.96)                         | -                      | (9.96)                        | -                 | 100.00%                                         |
| 22      | Lightbridge Communication Corporation                  | USA         | January 02, 2015                            | -                                                                                                       | USD                | 69.16         | 6,287.26      | (1,365.68)         | 10,747.61    | 5,826.03          | -           | -         | (192.19)                       | 49.93                  | (242.13)                      | -                 | 100.00%                                         |
| 23      | Tech Mahindra Network Design Services, Inc             | USA         | January 02, 2015                            | -                                                                                                       | USD                | 69.16         | 11,719.95     | (11,346.20)        | 2,407.70     | 2,033.95          | -           | 1,767.52  | 122.62                         | 4.48                   | 118.14                        | -                 | 100.00%                                         |
| 24      | Tech Mahindra Network Services Belgium NV              | Belgium     | January 02, 2015                            | -                                                                                                       | EUR                | 80.90         | 23.87         | (133.03)           | 86.34        | 195.50            | -           | 394.60    | (59.26)                        | -                      | (59.26)                       | -                 | 100.00%                                         |
| 25      | Leadcom Integrated Solutions International B.V.        | Netherlands | January 02, 2015                            | -                                                                                                       | EUR                | 80.90         | 2.76          | 914.43             | 2,878.09     | 1,960.91          | 510.76      | 18.70     | 467.93                         | 6.29                   | 461.63                        | -                 | 100.00%                                         |
| 26      | Tech Mahindra S.A.                                     | Argentina   | January 02, 2015                            | -                                                                                                       | ARS                | 1.59          | 0.02          | (56.13)            | 69.16        | 125.27            | -           | 152.47    | (61.93)                        | (19.39)                | (42.54)                       | -                 | 100.00%                                         |
| 27      | Tech-Mahindra Bolivia S.R.L.                           | Bolivia     | January 02, 2015                            | -                                                                                                       | BOB                | 9.84          | 3.64          | (151.24)           | 137.22       | 284.82            | -           | 26.32     | (59.59)                        | -                      | (59.59)                       | -                 | 100.00%                                         |
| 28      | Tech-Mahindra Colombia S.A.S.                          | Colombia    | January 02, 2015                            | -                                                                                                       | COP                | 0.02          | 7.40          | 26.27              | 240.63       | 206.95            | -           | 369.50    | 27.48                          | 7.15                   | 20.33                         | -                 | 100.00%                                         |
| 29      | Coniber S.A.                                           | Uruguay     | January 02, 2015                            | -                                                                                                       | USD                | 69.16         | 0.35          | 18.50              | 416.27       | 397.42            | -           | 57.84     | (34.29)                        | -                      | (34.29)                       | -                 | 100.00%                                         |

| Sr. No. | Name of the Subsidiary                                      | Country     | The date since when subsidiary was acquired | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Reporting Currency | Exchange Rate | Share Capital | Reserves & Surplus | Total Assets | Total Liabilities | Investments | Turnover | Profit/ (Loss) before Taxation | Provision for Taxation | Profit/ (Loss) after Taxation | Proposed Dividend | % of effective holding of Tech Mahindra Limited |
|---------|-------------------------------------------------------------|-------------|---------------------------------------------|---------------------------------------------------------------------------------------------------------|--------------------|---------------|---------------|--------------------|--------------|-------------------|-------------|----------|--------------------------------|------------------------|-------------------------------|-------------------|-------------------------------------------------|
| 30      | Tech-Mahindra Costa Rica S.A.                               | Costa Rica  | January 02, 2015                            | -                                                                                                       | CRC                | 0.11          | -             | (2.59)             | 28.37        | 30.96             | -           | 26.15    | 3.60                           | 1.30                   | 2.30                          | -                 | 100.00%                                         |
| 31      | Tech-Mahindra del Ecuador S.A.                              | Ecuador     | January 02, 2015                            | -                                                                                                       | USD                | 69.16         | 0.06          | 400.92             | 653.53       | 252.55            | -           | 1,096.21 | 44.56                          | 14.26                  | 30.30                         | -                 | 100.00%                                         |
| 32      | Servicios Integrales de Telecomunicaciones Obras Civiles SA | Guatemala   | January 02, 2015                            | -                                                                                                       | GTQ                | 8.92          | 0.04          | 19.61              | 139.40       | 119.75            | -           | 91.50    | (12.54)                        | (2.57)                 | (9.97)                        | -                 | 100.00%                                         |
| 33      | Tech Mahindra Panama S.A.                                   | Panama      | January 02, 2015                            | -                                                                                                       | USD                | 69.16         | -             | 66.92              | 137.85       | 70.94             | -           | 249.86   | 4.83                           | 1.83                   | 2.99                          | -                 | 100.00%                                         |
| 34      | Tech-Mahindra de Peru S.A. C.                               | Peru        | January 02, 2015                            | -                                                                                                       | PEN                | 20.83         | 44.75         | 142.97             | 481.12       | 293.39            | -           | 572.08   | 11.87                          | 4.06                   | 7.81                          | -                 | 100.00%                                         |
| 35      | Leadcom Integrated Solutions Tchad SARL                     | Chad        | January 02, 2015                            | -                                                                                                       | XOF                | 0.12          | 0.12          | (35.93)            | 17.33        | 53.14             | -           | 30.54    | (10.41)                        | 4.50                   | (14.91)                       | -                 | 100.00%                                         |
| 36      | Leadcom DRC Sprl                                            | DRC         | January 02, 2015                            | -                                                                                                       | USD                | 69.16         | 1.80          | 110.29             | 471.57       | 359.48            | -           | 240.29   | 42.15                          | 1.76                   | 40.39                         | -                 | 100.00%                                         |
| 37      | Leadcom Gabon S.A.                                          | Gabon       | January 02, 2015                            | -                                                                                                       | XOF                | 0.12          | 1.19          | (37.43)            | 2.06         | 38.30             | -           | 3.25     | (2.60)                         | 0.60                   | (3.19)                        | -                 | 100.00%                                         |
| 38      | Leadcom Ghana Limited                                       | Ghana       | January 02, 2015                            | -                                                                                                       | GHS                | 12.81         | 27.53         | 11.23              | 77.67        | 38.91             | -           | 131.38   | 11.05                          | 2.49                   | 8.56                          | -                 | 100.00%                                         |
| 39      | Leadcom Integrated Solutions Kenya Limited                  | Kenya       | January 02, 2015                            | -                                                                                                       | KES                | 0.69          | 0.07          | 148.01             | 339.67       | 191.59            | -           | 276.55   | 62.84                          | 20.36                  | 42.48                         | -                 | 100.00%                                         |
| 40      | Leadcom Integrated Solutions Rwanda Ltd.                    | Rwanda      | January 02, 2015                            | -                                                                                                       | RWF                | 0.08          | 0.77          | 57.08              | 119.67       | 61.82             | -           | 142.80   | 22.56                          | 6.98                   | 15.58                         | -                 | 100.00%                                         |
| 41      | Leadcom Integrated Solutions Tanzania Ltd.                  | Tanzania    | January 02, 2015                            | -                                                                                                       | TZS                | 0.03          | 8.06          | (159.68)           | 45.68        | 197.30            | -           | 26.50    | (28.12)                        | 0.52                   | (28.64)                       | -                 | 100.00%                                         |
| 42      | Leadcom Uganda Limited                                      | Uganda      | January 02, 2015                            | -                                                                                                       | UGX                | 0.02          | 0.84          | 140.84             | 242.02       | 100.34            | -           | 327.04   | 71.86                          | 20.17                  | 51.70                         | -                 | 100.00%                                         |
| 43      | Leadcom Integrated Solutions Myanmar Co., Ltd               | Myanmar     | January 02, 2015                            | -                                                                                                       | MMK                | 0.05          | 2.45          | 186.57             | 133.09       | (55.93)           | -           | 266.84   | 125.07                         | 34.65                  | 90.42                         | -                 | 100.00%                                         |
| 44      | Leadcom Integrated Solutions (L.I.S.) Ltd.                  | Israel      | January 02, 2015                            | -                                                                                                       | USD                | 69.16         | 0.10          | 776.75             | 2,263.54     | 1,486.68          | -           | 1,033.16 | (871.59)                       | (209.73)               | (661.86)                      | -                 | 100.00%                                         |
| 45      | Leadcom Integrated Solutions (SPV) SAS                      | France      | January 02, 2015                            | -                                                                                                       | EUR                | 80.90         | 164.80        | (1,296.00)         | 327.72       | 1,458.92          | 165.26      | 31.77    | (16.42)                        | -                      | (16.42)                       | -                 | 100.00%                                         |
| 46      | Tech Mahindra Guatemala S.A.                                | Ivory Coast | January 02, 2015                            | -                                                                                                       | XOF                | 0.12          | 23.84         | 283.12             | 865.92       | 558.97            | -           | 1,048.06 | 80.92                          | 32.03                  | 48.89                         | -                 | 100.00%                                         |
| 47      | Tech Mahindra GmbH                                          | Germany     | Not Applicable                              | -                                                                                                       | EUR                | 77.68         | 46.69         | 2,028.72           | 5,316.11     | 3,240.70          | 0.63        | 7,420.26 | 488.05                         | 189.06                 | 299.00                        | -                 | 100.00%                                         |
| 48      | TechM IT-Services GmbH                                      | Austria     | Not Applicable                              | -                                                                                                       | EUR                | 77.68         | 0.39          | 6.54               | 9.59         | 2.66              | -           | 18.34    | 1.26                           | 0.28                   | 0.98                          | -                 | 100.00%                                         |
| 49      | Tech Mahindra Norway                                        | Norway      | Not Applicable                              | -                                                                                                       | NOK                | 8.03          | 0.24          | 37.93              | 510.16       | 471.99            | -           | 646.02   | 35.88                          | 7.35                   | 28.53                         | -                 | 100.00%                                         |
| 50      | Tech Mahindra (Singapore) Pte. Limited                      | Singapore   | Not Applicable                              | -                                                                                                       | SGD                | 51.06         | 2.55          | 303.71             | 531.49       | 225.23            | -           | 382.44   | 38.98                          | 5.65                   | 33.34                         | -                 | 100.00%                                         |
| 51      | Tech Mahindra (Thailand) Limited                            | Thailand    | Not Applicable                              | -                                                                                                       | THB                | 2.18          | 13.09         | 46.31              | 325.36       | 265.97            | -           | 433.57   | 6.57                           | 3.60                   | 2.98                          | -                 | 100.00%                                         |
| 52      | PT Tech Mahindra Indonesia                                  | Indonesia   | Not Applicable                              | -                                                                                                       | USD                | 69.16         | 34.58         | 474.34             | 1,108.19     | 599.27            | -           | 1,447.42 | (414.41)                       | (84.43)                | (329.98)                      | -                 | 100.00%                                         |
| 53      | Tech Mahindra (Beijing) IT Services Limited                 | China       | Not Applicable                              | December                                                                                                | CNY                | 10.14         | 34.89         | 1.40               | 46.86        | 10.56             | -           | 88.49    | 5.66                           | 1.42                   | 4.24                          | -                 | 100.00%                                         |
| 54      | Tech Mahindra (Nigeria) Limited                             | Nigeria     | Not Applicable                              | -                                                                                                       | NGN                | 0.23          | 34.59         | (685.45)           | 886.54       | 1,537.40          | -           | 155.93   | (11.01)                        | 49.61                  | (60.62)                       | -                 | 100.00%                                         |
| 55      | Tech Mahindra (Bahrain) Limited S.P.C.                      | Bahrain     | Not Applicable                              | -                                                                                                       | BHD                | 183.46        | 9.17          | 60.57              | 81.54        | 11.80             | -           | 15.97    | 0.97                           | -                      | 0.97                          | -                 | 100.00%                                         |
| 56      | Tech Mahindra Business Services Limited.                    | India       | September 4, 2012                           | -                                                                                                       | INR                | 1.00          | 10.00         | 3,806.65           | 6,060.09     | 2,243.44          | 1,054.43    | 7,425.52 | 1,110.66                       | 455.58                 | 655.08                        | -                 | 100.00%                                         |
| 57      | Comviva Technologies Limited                                | India       | December 13, 2012                           | -                                                                                                       | INR                | 1.00          | 218.69        | 6,357.83           | 8,940.94     | 2,364.42          | 385.10      | 6,467.36 | 1,135.14                       | 310.42                 | 824.71                        | -                 | 100.00%                                         |
| 58      | Comviva Technologies Nigeria Limited                        | Nigeria     | March 23, 2011                              | -                                                                                                       | NGN                | 0.23          | 154.59        | (70.41)            | 357.88       | 273.70            | 12.91       | 97.98    | 13.89                          | 3.64                   | 10.25                         | -                 | 100.00%                                         |
| 59      | Comviva Technologies Singapore Pte. Ltd.                    | Singapore   | September 8, 2011                           | -                                                                                                       | SGD                | 51.06         | 28.65         | (13.92)            | 68.75        | 54.03             | -           | 11.53    | (4.86)                         | (1.13)                 | (3.73)                        | -                 | 100.00%                                         |
| 60      | Comviva Technologies FZ-LLC                                 | UAE         | February 19, 2012                           | -                                                                                                       | AED                | 18.83         | 1.04          | 234.64             | 907.18       | 671.51            | -           | 1,241.14 | 17.46                          | -                      | 17.46                         | -                 | 100.00%                                         |
| 61      | Hedonmark (Management Services) Limited                     | Nigeria     | November 20, 2014                           | -                                                                                                       | NGN                | 17.74         | 0.57          | (311.34)           | 8.64         | 319.41            | -           | 11.04    | (18.24)                        | 39.16                  | (57.40)                       | -                 | 74.99%                                          |
| 62      | Comviva Technologies B.V.                                   | Netherlands | April 30, 2015                              | -                                                                                                       | EUR                | 77.68         | 0.78          | (296.94)           | 1,908.44     | 2,204.61          | 434.70      | 616.92   | (184.55)                       | (7.84)                 | (176.71)                      | -                 | 100.00%                                         |

| Sr. No. | Name of the Subsidiary                                                                        | Country      | The date since when subsidiary was acquired | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Reporting Currency | Exchange Rate | Share Capital | Reserves & Surplus | Total Assets | Total Liabilities | Investments | Turnover | Profit/ (Loss) before Taxation | Provision for Taxation | Profit/ (Loss) after Taxation | Proposed Dividend | % of effective holding of Tech Mahindra Limited |
|---------|-----------------------------------------------------------------------------------------------|--------------|---------------------------------------------|---------------------------------------------------------------------------------------------------------|--------------------|---------------|---------------|--------------------|--------------|-------------------|-------------|----------|--------------------------------|------------------------|-------------------------------|-------------------|-------------------------------------------------|
| 63      | Terra Payment Services (Netherlands) B.V.                                                     | Netherlands  | July 3, 2015                                | -                                                                                                       | EUR                | 5.54          | 198.05        | (164.04)           | 207.81       | 173.80            | 76.87       | 2.51     | (26.37)                        | -                      | (26.37)                       | -                 | 100.00%                                         |
| 64      | Mobex Money Transfer Services Limited                                                         | Kenya        | December 16, 2015                           | -                                                                                                       | KES                | 0.65          | 17.17         | (1.02)             | 18.27        | 2.13              | -           | -        | (0.98)                         | (0.30)                 | (0.69)                        | -                 | 100.00%                                         |
| 65      | Terra Payment Services (Tanzania) Limited                                                     | Tanzania     | March 10, 2016                              | -                                                                                                       | TZS                | 0.03          | -             | (4.28)             | 2.35         | 6.62              | -           | -        | (3.28)                         | -                      | (3.28)                        | -                 | 100.00%                                         |
| 66      | Terra Payment Services (Uganda) Limited                                                       | Uganda       | March 11, 2016                              | -                                                                                                       | UGX                | 0.03          | 0.87          | (1.94)             | 39.27        | 40.35             | -           | -        | 3.39                           | 0.00                   | 3.39                          | -                 | 100.00%                                         |
| 67      | Terra Payment Services South Africa (PTY) Ltd. (refer note (iii) below)                       | South Africa | October 30, 2014                            | -                                                                                                       | ZAR                | 0.02          | -             | 22.05              | 23.86        | 1.81              | -           | -        | (1.36)                         | -                      | (1.36)                        | -                 | 100.00%                                         |
| 68      | Terra Payment Services (Mauritius)                                                            | Mauritius    | January 19, 2017                            | -                                                                                                       | USD                | 3.24          | 2.14          | (15.92)            | 128.38       | 142.16            | -           | 120.96   | (2.43)                         | -                      | (2.43)                        | -                 | 100.00%                                         |
| 69      | Terra Payment Services (UK) Limited                                                           | UK           | August 5, 2016                              | -                                                                                                       | GBP                | 19.28         | 14.92         | (11.68)            | 49.41        | 46.17             | -           | 39.59    | (9.70)                         | -                      | (9.70)                        | -                 | 100.00%                                         |
| 70      | Terra Payment Services Botswana (PTY) Limited (refer note (iii) below)                        | Botswana     | July 13, 2016                               | -                                                                                                       | BWP                | 77.68         | 0.00          | (0.69)             | 0.00         | 0.69              | -           | -        | (0.41)                         | -                      | (0.41)                        | -                 | 100.00%                                         |
| 71      | Terra Payment Services S.A.R.L. (Congo B) (refer note (iii) below)                            | Congo        | June 29, 2016                               | -                                                                                                       | XAF                | 69.16         | -             | (0.86)             | 0.08         | 0.94              | -           | -        | (0.57)                         | -                      | (0.57)                        | -                 | 100.00%                                         |
| 72      | Terra Payment Services S.A.R.L. (DRC) (refer note (iii) below)                                | DRC          | July 5, 2016                                | -                                                                                                       | CDF                | 6.82          | 0.78          | (0.46)             | 3.40         | 3.08              | -           | -        | (0.66)                         | -                      | (0.66)                        | -                 | 100.00%                                         |
| 73      | Terra Payment Services S.A.R.L. (Senegal) (refer note (iii) below)                            | Senegal      | June 20, 2016                               | -                                                                                                       | XOF                | 0.12          | 0.12          | (0.35)             | 0.04         | 0.27              | -           | -        | (0.16)                         | -                      | (0.16)                        | -                 | 100.00%                                         |
| 74      | Comviva Technologies (Argentina) S.A. (formerly, ATS Advanced Technology Solutions S.A.)      | Argentina    | January 31, 2016                            | June                                                                                                    | ARS                | 0.04          | 71.50         | (28.53)            | 151.67       | 108.69            | -           | 384.03   | (29.11)                        | 1.97                   | (31.08)                       | -                 | 100.00%                                         |
| 75      | ATS Advanced Technology Solutions do Brasil Industria, Comercio, Importacao E exportacao LTDA | Brazil       | January 31, 2016                            | December                                                                                                | BRL                | 0.12          | 1.77          | (66.23)            | 463.68       | 528.13            | -           | 479.77   | (21.32)                        | -                      | (21.32)                       | -                 | 100.00%                                         |
| 76      | Comviva Technologies Colombia S.A.S                                                           | Colombia     | June 17, 2016                               | December                                                                                                | COP                | 0.02          | 7.57          | (5.85)             | 8.94         | 7.22              | -           | 54.89    | 2.97                           | 1.68                   | 1.29                          | -                 | 100.00%                                         |
| 77      | Comviva Technologies Madagascar Sarlu                                                         | Madagascar   | December 12, 2016                           | -                                                                                                       | MGA                | 0.02          | 1.24          | 20.18              | 24.50        | 3.08              | -           | 19.77    | 10.93                          | 2.19                   | 8.74                          | -                 | 100.00%                                         |
| 78      | Comviva Technologies (Australia) Pty. Ltd                                                     | Australia    | August 31, 2017                             | -                                                                                                       | AUD                | 49.90         | 0.49          | (92.25)            | 488.04       | 579.80            | 478.62      | -        | (48.05)                        | (6.80)                 | (41.24)                       | -                 | 100.00%                                         |
| 79      | Comviva Technologies Mexico, S. de R.L. de C.V. (refer note (iii) below)                      | Mexico       | February 09, 2018                           | -                                                                                                       | NA                 | 3.41          | -             | -                  | -            | -                 | -           | -        | -                              | -                      | -                             | -                 | 100.00%                                         |
| 80      | Imagine International Pty. Ltd. ^                                                             | Australia    | September 01, 2017                          | June                                                                                                    | AUD                | 49.90         | 93.57         | 147.50             | 326.36       | 85.29             | -           | 193.40   | (32.22)                        | 4.89                   | (37.11)                       | -                 | 100.00%                                         |
| 81      | Terra Payment Services (India) Private Limited (refer note (iii) below)                       | India        | September 01, 2017                          | -                                                                                                       | NA                 | 1.00          | -             | -                  | -            | -                 | -           | -        | -                              | -                      | -                             | -                 | 100.00%                                         |
| 82      | YABX Technologies (Netherlands) BV (refer note (iii) & (vii) below)                           | Netherlands  | June 04, 2018                               | -                                                                                                       | USD                | 69.16         | -             | (3.07)             | 4.51         | 7.58              | -           | -        | (3.19)                         | -                      | (3.19)                        | -                 | 100.00%                                         |
| 83      | Tech Mahindra Holdco Pty Limited (refer note (vii) below)                                     | South Africa | Not Applicable                              | -                                                                                                       | ZAR                | 4.77          | -             | -                  | -            | -                 | -           | -        | -                              | -                      | -                             | -                 | 96.00%                                          |

| Sr. No. | Name of the Subsidiary                                     | Country                 | The date since when subsidiary was acquired | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Reporting Currency | Exchange Rate | Share Capital | Reserves & Surplus | Total Assets | Total Liabilities | Investments | Turnover | Profit/ (Loss) before Taxation | Provision for Taxation | Profit/ (Loss) after Taxation | Proposed Dividend | % of effective holding of Tech Mahindra Limited |
|---------|------------------------------------------------------------|-------------------------|---------------------------------------------|---------------------------------------------------------------------------------------------------------|--------------------|---------------|---------------|--------------------|--------------|-------------------|-------------|----------|--------------------------------|------------------------|-------------------------------|-------------------|-------------------------------------------------|
| 84      | Tech Mahindra South Africa (Pty) Limited                   | South Africa            | Not Applicable                              | -                                                                                                       | ZAR                | 4.77          | 0.00          | 126.76             | 781.13       | 654.37            | -           | 1,147.90 | 141.70                         | 42.00                  | 99.69                         | -                 | 48.96%                                          |
| 85      | Tech Mahindra (Shanghai) Co. Limited                       | China                   | Not Applicable                              | December                                                                                                | CNY                | 10.14         | 1,042.46      | (421.91)           | 990.92       | 370.38            | -           | 1,408.22 | 217.49                         | 37.52                  | 179.97                        | -                 | 100.00%                                         |
| 86      | Tech Mahindra (Nanjing) Co. Limited                        | China                   | Not Applicable                              | December                                                                                                | CNY                | 10.14         | 533.78        | (442.59)           | 93.85        | 2.66              | -           | 44.03    | 7.14                           | 0.66                   | 6.47                          | -                 | 100.00%                                         |
| 87      | Tech Mahindra Technologies Inc.                            | USA                     | Not Applicable                              | -                                                                                                       | USD                | 69.16         | 69.16         | 375.66             | 570.21       | 125.39            | -           | 2,446.67 | 344.33                         | 81.03                  | 263.30                        | -                 | 100.00%                                         |
| 88      | Grisoft Pte. Inc.                                          | UK                      | Not Applicable                              | -                                                                                                       | GBP                | 90.41         | 10.16         | 97.49              | 120.62       | 12.97             | 47.30       | 117.63   | 9.93                           | 1.82                   | 8.11                          | -                 | 100.00%                                         |
| 89      | Grisoft Inc.                                               | USA                     | Not Applicable                              | -                                                                                                       | USD                | 69.16         | 47.30         | 396.84             | 604.10       | 159.96            | 47.71       | 1,422.84 | (16.91)                        | (5.89)                 | (11.01)                       | -                 | 100.00%                                         |
| 90      | Satyam Venture Engineering Services Private Limited        | India                   | Not Applicable                              | -                                                                                                       | INR                | 1.00          | 70.89         | 2,006.38           | 3,102.04     | 1,024.77          | 561.15      | 3,412.55 | 513.09                         | 175.68                 | 337.41                        | -                 | 50.00%                                          |
| 91      | Satyam Venture Engineering Services (Shanghai) Co. Limited | China                   | Not Applicable                              | December                                                                                                | CNY                | 10.14         | 5.70          | 1.42               | 18.41        | 11.30             | -           | 19.19    | 0.04                           | 0.01                   | 0.03                          | -                 | 50.00%                                          |
| 92      | Serven GmbH                                                | Germany                 | Not Applicable                              | -                                                                                                       | EUR                | 77.68         | 0.43          | 0.13               | 0.83         | 0.28              | -           | 1.87     | 0.09                           | 0.04                   | 0.06                          | -                 | 50.00%                                          |
| 93      | Tech Mahindra De Mexico S. DE R. L. DE C. V.               | Mexico                  | Not Applicable                              | December                                                                                                | MXN                | 3.24          | 41.95         | 92.44              | 1,025.96     | 891.57            | -           | 2,618.02 | 81.92                          | 26.47                  | 55.45                         | -                 | 100.00%                                         |
| 94      | Customer Philippines, Inc.                                 | Philippines             | Not Applicable                              | -                                                                                                       | PHP                | 1.32          | 12.70         | 372.18             | 439.83       | 54.95             | 12.49       | 520.40   | 51.41                          | 11.59                  | 39.82                         | -                 | 100.00%                                         |
| 95      | Customer Philippines (Cebu), Inc.                          | Philippines             | Not Applicable                              | -                                                                                                       | PHP                | 1.32          | 12.49         | 425.11             | 528.77       | 91.17             | -           | 888.47   | 93.37                          | 7.12                   | 86.25                         | -                 | 100.00%                                         |
| 96      | Tech Mahindra Servicios De Informatica LTDA                | Brazil                  | Not Applicable                              | -                                                                                                       | BRL                | 17.72         | 2,095.99      | (1,987.44)         | 2,315.90     | 2,207.35          | -           | 3,186.06 | (989.85)                       | 5.87                   | (995.72)                      | -                 | 100.00%                                         |
| 97      | Tech Mahindra ICT Services (Malaysia) SDN. BHD.            | Malaysia                | Not Applicable                              | -                                                                                                       | MYR                | 16.93         | 180.37        | 771.33             | 1,399.61     | 447.92            | -           | 1,919.31 | 308.85                         | 15.10                  | 293.75                        | -                 | 100.00%                                         |
| 98      | Fixstream Networks Inc.                                    | USA                     | April 30, 2014                              | -                                                                                                       | USD                | 69.16         | 3.86          | (2,137.81)         | 183.85       | 2,317.80          | -           | 360.23   | (363.02)                       | 0.06                   | (363.09)                      | -                 | 73.38%                                          |
| 99      | Fixstream India Private Limited                            | India                   | April 30, 2014                              | -                                                                                                       | INR                | 1.00          | 0.17          | 35.99              | 47.01        | 10.85             | -           | 96.95    | 13.31                          | 3.70                   | 9.61                          | -                 | 73.38%                                          |
| 100     | Mahindra Technologies Services Inc.                        | USA                     | Not Applicable                              | -                                                                                                       | USD                | 69.16         | 72.61         | 8.55               | 82.37        | 1.21              | -           | 0.04     | 0.08                           | 0.02                   | 0.06                          | -                 | 100.00%                                         |
| 101     | Mahindra Engineering Services (Europe) Limited             | UK                      | Not Applicable                              | -                                                                                                       | GBP                | 90.41         | 5.88          | 188.79             | 2,297.09     | 2,102.43          | 499.70      | 15.77    | 14.22                          | 1.94                   | 12.28                         | -                 | 100.00%                                         |
| 102     | Inter-Informatics Spol s.r.o (refer note vii)              | Czech Republic          | September 05, 2018                          | -                                                                                                       | CZK                | 3.01          | 150.99        | (27.65)            | 211.57       | 88.23             | -           | 649.41   | (40.28)                        | -                      | (40.28)                       | -                 | 100.00%                                         |
| 103     | TC Inter-Informatics a.s. (refer note vii)                 | Czech Republic          | September 05, 2018                          | -                                                                                                       | CZK                | 3.01          | 76.76         | (106.45)           | 163.29       | 192.98            | -           | 658.53   | (243.23)                       | 0.16                   | (243.39)                      | -                 | 100.00%                                         |
| 104     | K-Vision Co., Ltd (refer note vii)                         | Japan                   | March 14, 2018                              | -                                                                                                       | JPY                | 0.62          | 26.85         | (47.76)            | 80.37        | 101.28            | -           | 11.39    | 0.25                           | -                      | 0.25                          | -                 | 100.00%                                         |
| 105     | Sorgen Holdings Limited (refer note (i, iii and vii))      | Cyprus                  | March 13, 2015                              | -                                                                                                       | EUR                | 77.68         | 524.41        | (542.57)           | 2,735.22     | 2,753.38          | 232.64      | 146.96   | (22.19)                        | (4.08)                 | (18.11)                       | -                 | 100.00%                                         |
| 106     | Sorgen Africa                                              | Africa                  | March 13, 2015                              | -                                                                                                       | KES                | 0.69          | 0.07          | (309.81)           | 169.04       | 478.78            | -           | 153.58   | (6.41)                         | 3.01                   | (9.42)                        | -                 | 100.00%                                         |
| 107     | Sorgen Services Pte Ltd                                    | Singapore               | March 13, 2015                              | -                                                                                                       | SGD                | 51.06         | 20.43         | 218.33             | 1,623.88     | 1,385.13          | -           | 1,476.39 | 125.21                         | (34.49)                | 159.70                        | -                 | 100.00%                                         |
| 108     | Sorgen SA                                                  | Switzerland             | March 13, 2015                              | -                                                                                                       | CHF                | 69.51         | 125.11        | (266.84)           | 1,185.28     | 1,327.01          | 257.91      | 495.91   | 85.93                          | (20.28)                | 106.21                        | -                 | 100.00%                                         |
| 109     | Tech Mahindra DRC SARLU                                    | Cono DRC                | Not Applicable                              | December                                                                                                | CDF                | 0.04          | 3.85          | (119.90)           | 243.40       | 359.45            | -           | (1.05)   | (3.90)                         | (1.00)                 | (2.90)                        | -                 | 100.00%                                         |
| 110     | Nth Dimension Ltd                                          | UK                      | Not Applicable                              | -                                                                                                       | GBP                | 90.41         | 0.00          | (218.49)           | 232.16       | 450.65            | -           | 369.14   | (53.71)                        | (9.04)                 | (44.67)                       | -                 | 100.00%                                         |
| 111     | Tech Mahindra Arabia Limitd of Saudi Arabia                | Kingdom of Saudi Arabia | Not Applicable                              | -                                                                                                       | SAR                | 18.44         | 18.44         | (99.73)            | 356.57       | 437.86            | -           | 264.13   | (65.77)                        | (6.51)                 | (59.26)                       | -                 | 51.00%                                          |
| 112     | Tech Mahindra Netherlands B.V.                             | Netherlands             | Not Applicable                              | -                                                                                                       | EUR                | 77.68         | 3.57          | 15.90              | 359.38       | 339.91            | -           | 286.18   | 8.93                           | 1.79                   | 7.14                          | -                 | 100.00%                                         |
| 113     | Tech Mahindra Growth Factories Limited                     | India                   | Not Applicable                              | -                                                                                                       | INR                | 1.00          | 338.00        | (336.00)           | 72.00        | 70.00             | -           | 85.00    | (13.00)                        | -                      | (13.00)                       | -                 | 100.00%                                         |
| 114     | Tech Mahindra Sweden AB                                    | Sweden                  | Not Applicable                              | -                                                                                                       | SEK                | 7.47          | 0.37          | 41.81              | 90.81        | 48.63             | -           | 488.81   | 26.94                          | 6.31                   | 20.63                         | -                 | 100.00%                                         |
| 115     | Tech Mahindra Fintech Holdings Limited                     | UK                      | Not Applicable                              | -                                                                                                       | GBP                | 90.41         | 0.90          | 9,156.96           | 9,555.98     | 398.12            | 9,512.59    | 0.09     | (13.83)                        | (3.38)                 | (10.45)                       | -                 | 100.00%                                         |

| Sr. No. | Name of the Subsidiary                               | Country       | The date since when subsidiary was acquired | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Reporting Currency | Exchange Rate | Share Capital | Reserves & Surplus | Total Assets | Total Liabilities | Investments | Turnover  | Profit/ (Loss) before Taxation | Provision for Taxation | Profit/ (Loss) after Taxation | Proposed Dividend | % of effective holding of Tech Mahindra Limited |
|---------|------------------------------------------------------|---------------|---------------------------------------------|---------------------------------------------------------------------------------------------------------|--------------------|---------------|---------------|--------------------|--------------|-------------------|-------------|-----------|--------------------------------|------------------------|-------------------------------|-------------------|-------------------------------------------------|
| 116     | Target Group Limited                                 | Great Britain | August 19, 2016                             | -                                                                                                       | GBP                | 90.41         | 73.21         | 1,294.01           | 4,009.50     | 2,642.28          | 1,345.95    | 1,957.84  | 132.02                         | 118.84                 | 13.18                         | -                 | 100.00%                                         |
| 117     | Target Servicing Limited                             | Great Britain | Not Applicable                              | -                                                                                                       | GBP                | 90.41         | 813.72        | 959.26             | 2,993.63     | 1,220.65          | -           | 4,706.72  | 285.10                         | 17.82                  | 267.28                        | -                 | 100.00%                                         |
| 118     | Harlosh Limited                                      | Great Britain | Not Applicable                              | -                                                                                                       | GBP                | 90.41         | 0.02          | 225.20             | 304.70       | 79.48             | -           | 149.17    | 13.07                          | 2.55                   | 10.52                         | -                 | 100.00%                                         |
| 119     | Harlosh New Zealand Limited                          | Great Britain | Not Applicable                              | -                                                                                                       | GBP                | 90.41         | 0.03          | (0.37)             | -            | 0.34              | -           | 15.50     | (3.98)                         | (0.02)                 | (3.96)                        | -                 | 100.00%                                         |
| 120     | Target Financial Systems Limited                     | Great Britain | Not Applicable                              | -                                                                                                       | GBP                | 90.41         | 184.06        | 215.55             | 446.33       | 46.72             | -           | -         | (0.00)                         | (1.01)                 | 1.01                          | -                 | 100.00%                                         |
| 121     | Elderbridge Limited                                  | Great Britain | Not Applicable                              | -                                                                                                       | GBP                | 90.41         | 0.01          | 201.02             | 315.72       | 114.70            | -           | 90.52     | 55.47                          | 10.91                  | 44.56                         | -                 | 100.00%                                         |
| 122     | Target Topco Limited                                 | Great Britain | Not Applicable                              | -                                                                                                       | GBP                | 90.41         | 8.95          | 1,750.57           | 2,252.50     | 492.98            | 2,252.32    | -         | -                              | -                      | -                             | -                 | 100.00%                                         |
| 123     | Target TG Investments Limited                        | Great Britain | Not Applicable                              | -                                                                                                       | GBP                | 90.41         | 4.02          | 2,469.27           | 2,491.09     | 17.80             | 2,491.06    | -         | -                              | -                      | -                             | -                 | 100.00%                                         |
| 124     | PF Holdings B.V.                                     | Netherlands   | May 30, 2016                                | -                                                                                                       | EUR                | 77.68         | 3,560.91      | (14.41)            | 3,548.31     | 1.82              | 3,532.65    | 0.01      | (3.61)                         | -                      | (3.61)                        | -                 | 60.00%                                          |
| 125     | Pininfarina S.p.A.                                   | Italy         | May 30, 2016                                | December                                                                                                | EUR                | 79.83         | 4,332.52      | 955.39             | 9,707.36     | 4,419.45          | 1,919.44    | 5,098.93  | 390.65                         | (71.49)                | 462.14                        | -                 | 45.71%                                          |
| 126     | Pininfarina Extra Srl                                | Italy         | May 30, 2016                                | December                                                                                                | EUR                | 79.83         | 30.97         | 480.16             | 639.83       | 128.70            | 28.65       | 558.21    | 104.60                         | 15.62                  | 88.98                         | -                 | 45.71%                                          |
| 127     | Pininfarina of America Corp                          | USA           | May 30, 2016                                | December                                                                                                | USD                | 69.77         | 0.70          | 93.99              | 148.67       | 53.98             | -           | 212.32    | 47.49                          | 13.47                  | 34.02                         | -                 | 45.71%                                          |
| 128     | Pininfarina Engineering Srl (refer note (vii) below) | Italy         | May 30, 2016                                | December                                                                                                | EUR                | 79.83         | 7.98          | 1,356.97           | 2,624.50     | 1,259.55          | 1,548.72    | 939.09    | (262.59)                       | (58.69)                | (203.90)                      | -                 | 45.71%                                          |
| 129     | Pininfarina Deutschland Holding GmbH                 | Germany       | May 30, 2016                                | December                                                                                                | EUR                | 79.83         | 247.48        | 1,197.36           | 1,468.41     | 23.57             | 15.13       | 102.19    | 2.04                           | 0.26                   | 1.77                          | -                 | 45.71%                                          |
| 130     | Pininfarina Deutschland GmbH                         | Germany       | May 30, 2016                                | December                                                                                                | EUR                | 79.83         | 2.00          | (76.04)            | 528.33       | 602.37            | 0.02        | 1,670.48  | (93.52)                        | -                      | (93.52)                       | -                 | 45.71%                                          |
| 131     | Pininfarina Shanghai Co Ltd                          | China         | May 30, 2016                                | December                                                                                                | CNY                | 10.14         | 37.54         | 126.88             | 294.49       | 130.07            | -           | 578.25    | 123.22                         | 36.64                  | 86.58                         | -                 | 45.71%                                          |
| 132     | The Bio Agency Limited                               | UK            | July 1, 2016                                | -                                                                                                       | GBP                | 90.41         | 0.05          | 853.87             | 977.28       | 123.36            | -           | 761.77    | (29.52)                        | (6.69)                 | (22.82)                       | -                 | 100.00%                                         |
| 133     | C/S SOLUTIONS GROUP LLC (refer note (iv))            | USA           | May 4, 2017                                 | December                                                                                                | USD                | 69.77         | 6,971.94      | (430.43)           | 9,977.10     | 3,435.59          | 0.09        | 15,153.11 | (266.65)                       | (46.75)                | (219.90)                      | -                 | 88.81%                                          |
| 134     | The HCI Group UK                                     | UK            | May 4, 2017                                 | December                                                                                                | GBP                | 89.09         | 0.09          | -                  | 0.99         | 0.90              | 0.09        | 0.90      | -                              | -                      | -                             | -                 | 88.81%                                          |
| 135     | Healthcare Clinical Informatics                      | UK            | May 4, 2017                                 | December                                                                                                | GBP                | 89.09         | 0.00          | (365.59)           | 448.56       | 814.15            | -           | 714.74    | 82.39                          | 4.87                   | 77.52                         | -                 | 88.81%                                          |
| 136     | HCI Group Australia Pty Ltd                          | Australia     | May 4, 2017                                 | December                                                                                                | AUD                | 49.07         | 0.00          | (46.09)            | 55.05        | 101.13            | -           | 60.13     | (46.09)                        | -                      | (46.09)                       | -                 | 88.81%                                          |
| 137     | HCI Group DMCC                                       | UAE           | May 4, 2017                                 | December                                                                                                | AED                | 18.83         | 0.94          | (33.32)            | 12.47        | 44.85             | -           | (28.59)   | (23.58)                        | -                      | (23.58)                       | -                 | 88.81%                                          |
| 138     | Tech Mahindra LLC (refer note (vii) below)           | USA           | May 4, 2017                                 | -                                                                                                       | USD                | 69.16         | -             | -                  | 279.04       | 279.04            | -           | 0.31      | -                              | -                      | -                             | -                 | 100.00%                                         |
| 139     | Tech Mahindra Chile SpA (refer note (vii) below)     | Chile         | May 4, 2017                                 | -                                                                                                       | CLP                | 0.10          | -             | -                  | -            | -                 | -           | -         | -                              | -                      | -                             | -                 | 100.00%                                         |
| 140     | Tech Mahindra Vietnam Company Ltd                    | Vietnam       | Not Applicable                              | -                                                                                                       | VDN                | 0.00          | 3.38          | (15.03)            | 26.62        | 38.27             | -           | 16.94     | (12.46)                        | -                      | (12.46)                       | -                 | 100.00%                                         |

**Notes:**

i) All profit and loss items have been converted at average rates and Balance sheet items have been converted at the close rates

ii) Following companies have been dissolved during the year

- Comviva Technologies INC, USA w.e.f.27th March'19

- Terrapay Services (UK) Limited w.e.f.26th March'19

- Inter-Informatics s.r.o w.e.f.13th February'19

- Tech Mahindra France SAS w.e.f.31st December'17

- Sofgen Services Limited w.e.f.25th October'18

- Sofgen Limited w.e.f.16th May'18

- Sofgen West Africa Limited w.e.f. 17th August'18
- LCC India Private Limited w.e.f.9th August'18
- LCC Diseno y Servicios de RED Peru S.R.L. w.e.f. 16th November'18
- iii) Following subsidiaries are yet to commence operations as at March 31, 2019
  - a) Terra Payment Services South Africa (PTY) Ltd.
  - b) Comviva Technologies Mexico, S. de R.L. de C.V.
  - c) Terra Payment Services (India) Private Limited
  - d) Terra Payment Services S.A.R.L. -(Senegal)
  - e) Terra Payment Services S.A.R.L.-(Congo B)
  - f) Terra Payment Services S.A.R.L. -(DRQ)
  - g) Terra Payment Services Botswana (Pty) Limited
  - h) YABX Technologies (Netherlands) BV
- iv) During the year ended March 31, 2019, following entities have applied for liquidation and the same are under the process of liquidation.
 

| Name of Entities                                    | 100% subsidiaries of Lightbridge Communications Corporation |
|-----------------------------------------------------|-------------------------------------------------------------|
| • LCC Telekomunikasyon Servis Limited               | • LCC Engineering & Development Services Misr, Ltd          |
| • LCC do Brasil LTDA                                | • LCC do Brasil LTDA                                        |
| • 100% subsidiaries of The CJS Solutions Group, LLC | • High Resolution Consulting Limited                        |
| • High Resolution Consulting Limited                | • High Resolution Resourcing Limited                        |
| • 100% subsidiaries of Sofgen Holdings Limited      | • Sofgen Sdn Bhd                                            |
| • Sofgen Sdn Bhd                                    | • Sofgen Ireland Limited                                    |
| • Sofgen (UK) Limited                               |                                                             |
- v) The following Section 8 companies have not been included in the above statement
  - a) Tech Mahindra Foundation (refer Note 36A)
  - b) Mahindra Educational Institutions(refer Note 36A)
- vi) Companies merged during the year
  - Tech Mahindra IPR Inc has been merged with Tech Mahindra (Americas) Inc. w.e.f.1st September'18
  - Tech Mahindra Network Design Services, Inc. has been merged with Tech Mahindra Network Services International, Inc w.e.f. 17th February'19
  - LCC Projects B.V. has been merged with LCC Network Services BV w.e.f.6th November'18
  - LCC Middle East Holdings Inc. has been merged with Lightbridge Communications Corporation w.e.f.15th November'18
  - Pininfarina Extra S.r.l. has been merged with Pininfarina S.p.A.w.e.f. 1st January'19
  - Sofgen Americas Inc has been merged with Tech Mahindra (Americas) Inc w.e.f 11th June'18
  - Sofgen India Limited has been merged with Tech Mahindra Limited w.e.f.17th August'18
  - LCC Installation and Services Professional BV has been merged with LCC Network Services B V w.e.f. November 6, 2018
  - LCC Professionals BV has been merged with LCC Network Services B V w.e.f. November 6, 2018
  - LCC Telecom Infra Professionals BV has been merged with LCC Network Services B V w.e.f. November 6, 2018
  - LCC Telecom Infra Project BV has been merged with LCC Network Services B V w.e.f. November 6, 2018
- vii) Following entities has been incorporated / acquired during the year
  - Tech Mahindra Holdco Pty Limited w.e.f 15th August'18
  - Tech Mahindra LLC w.e.f 14th June'18
  - Tech Mahindra Chile SpA w.e.f 17th December'18
  - YABX Technologies (Netherlands) B.V. w.e.f 4th June'18

- Plinifarina Engineering S.R.L. w.e.f. 14th May'18
- Inter-Informatics spol. s r.o. w.e.f. 5th September'18
- Inter-Informatics SRL w.e.f. 5th September'18
- TC Inter-Informatics a.s. w.e.f. 5th September'18
- Inter-Informatics s.r.o w.e.f. 5th September'18
- K-Vision Co., Ltd w.e.f. 14th March'19

**Part "B": Associates**

| Sr. no. | Name of the Associate   | Latest audited Balance Sheet Date # | Date on which the Associate or Joint Venture was associated or acquired | Shares of Associate held by the company on the year end |               | Amount of Investment in Associates | Extend of Holding % | 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 |                                    |                     |                                                   |                                              |                                                                            | Considered in Consolidation  | Not Considered in Consolidation |
| 1       | Avion Networks, Inc     | March 31, 2016                      | October 23, 2014                                                        |                                                         | 6,00,000      | 185.61                             | 30%                 | By Board and equity holding                       | Not Applicable                               | 201.90                                                                     | -                            | Not Applicable                  |
| 2       | SARL Djazatech          | March 31, 2016                      | January 2, 2016                                                         |                                                         | 1,225         | 43.68                              | 49%                 | Equity holding                                    | Not Applicable                               | (51.22)                                                                    | -                            | Not Applicable                  |
| 3       | Goodmind S.r.l.         | December 31, 2017                   | 30-May-16                                                               |                                                         | 4,000         | 6.65                               | 20%                 | Equity holding                                    | Not Applicable                               | 27.69                                                                      | 0.72                         | Not Applicable                  |
| 4       | Signature S.r.l.        |                                     | 07-Feb-18                                                               |                                                         | 2,400         | 45.00                              | 24%                 | Equity holding                                    | Not Applicable                               | (10.07)                                                                    | (5.33)                       | Not Applicable                  |
| 5       | Altiostar Networks, Inc |                                     | 18 January, 2018                                                        |                                                         | 1,85,18,518   | 958.00                             | 23%                 | Preference Share holding                          | Not Applicable                               | 269.57                                                                     | (649.92)                     | 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.**

For and on behalf of the Board

Place: Mumbai  
Date: May 21, 2019

Anand G. Mahindra  
Chairman  
(DIN: 00004695)

## ANNEXURE III

### ENTITIES FORMED/ACQUIRED AND CEASED DURING THE FINANCIAL YEAR 2018-19

#### 1. Subsidiaries formed/acquired:

| Sr. No. | Name of the Company                  |
|---------|--------------------------------------|
| 1       | Pininfarina Engineering S.R.L        |
| 2       | YABX Technologies (Netherlands) B.V. |
| 3       | Tech Mahindra LLC                    |
| 4       | Tech Mahindra Holdco Pty Limited     |
| 5       | Inter-Informatics, spol. s r.o.      |
| 6       | Inter-Informatics SRL                |
| 7       | TC Inter-Informatics a.s.            |
| 8       | Inter-Informatics s.r.o              |
| 9       | Tech Mahindra Chile SpA              |
| 10      | K-Vision Co., Ltd                    |

#### 2. Subsidiaries ceased:

| Sr. No. | Name of the Company                          |
|---------|----------------------------------------------|
| 1       | Sofgen Limited                               |
| 2       | Tech Mahindra France SAS                     |
| 3       | Sofgen Americas Inc.,                        |
| 4       | LCC India Private Limited                    |
| 5       | Sofgen India Private Limited                 |
| 6       | Sofgen West Africa Limited                   |
| 7       | Tech Mahindra IPR Inc.,                      |
| 8       | Sofgen Services Limited                      |
| 9       | LCC Projects B.V.                            |
| 10      | LCC Telecom Infra Projects BV                |
| 11      | LCC Telecom Infra Professionals BV           |
| 12      | LCC Installation & Services Projects BV      |
| 13      | LCC Installation & Services Professionals BV |
| 14      | LCC Professionals, B.V.                      |
| 15      | Lightbridge Middle East Holdings, Inc.       |
| 16      | LCC Diseno y Servicios de RED Peru S.R.L.    |
| 17      | Pininfarina Extra S.r.l.                     |
| 18      | Inter-Informatics s.r.o                      |
| 19      | Tech Mahindra Network Design Services, Inc., |
| 20      | Terrapay Services (UK) Limited               |
| 21      | Comviva Technologies Inc.,                   |
| 22      | High Resolution Consulting Limited           |
| 23      | High Resolution Resourcing Limited           |

#### 3. Joint Ventures/Associate Companies:

| Sr. No. | Name of the Company           |
|---------|-------------------------------|
| A       | Formed / Acquired:            |
|         | Nil                           |
| B       | Ceased:                       |
| 1       | IQS Information Solutions WLL |

For and on behalf of the Board

Place: Mumbai  
Date: May 21, 2019

Anand G. Mahindra  
Chairman  
(DIN: 00004695)

**ANNEXURE IV****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

Anand G. Mahindra  
Chairman  
(DIN: 00004695)

Place: Mumbai  
Date: May 21, 2019

**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2019**

*[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, 2019 ('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, 2019 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 Overseas Direct Investment; [There were no Foreign Direct Investment (except remittances from overseas employees for ESOP exercise) and External Commercial Borrowings transactions in the Company, during the Audit Period];
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —

**ANNEXURE V**

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and 2018 **(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 and 2018.
- (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 on test-check basis, the Company has complied with the following laws applicable specifically to the Company:
- (a) The Information Technology Act, 2000, and
  - (b) The Special Economic Zones Act, 2005.

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

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India; and
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 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.

*This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.*

## **Annexure to the Secretarial Audit Report**

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

My report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.

## **I further report that** during the audit period:

In terms of the provisions of Sections 68, 69, 70 and applicable rules under the Companies Act, 2013 and Securities and Exchange Board of India (Buy-Back of Securities) Regulation, 2018 and subject to such other approvals, permissions and sanctions, the Board of Directors of the Company at its meeting held on 21 February, 2019 approved and completed buy back of 2,05,85,000 Fully Paid up Equity Shares of ₹ 5/- each of the Company, representing 2.09% of the total number of shares through tender offer route at a price of ₹ 950/- per share aggregating to ₹ 19,55,57,50,000/- (Rupees One Thousand Nine Hundred Fifty Five Crores Fifty Seven Lakhs And Fifty Thousand Only); being 9.55% of the aggregate of the fully paid-up Equity Share capital and free reserves. The Promoters also participated in the buyback of equity shares of the Company. The buyback offer period was from 25 March, 2019 to 5 April, 2019.

Place: Pune

Date: May 21, 2019

Dr. K R Chandratre

FCS No.: 1370, C. P. No.: 5144

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test-check basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Pune

Date: May 21, 2019

Dr. K R Chandratre

FCS No.: 1370, C. P. No.: 5144

## ANNEXURE VI

## FORM NO. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2019

[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,<br>Apollo Bunder,<br>Mumbai – 400 001<br>Tel: + 91 22 2289 5500<br>Email: investor.relations@techmahindra.com<br>Website: <a href="http://www.techmahindra.com">www.techmahindra.com</a> |
| vi) Whether listed company:                                                     | Yes                                                                                                                                                                                                        |
| vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: | Link Intime India Pvt Ltd<br>Block no. 202, 2 <sup>nd</sup> Floor, Akshay Complex,<br>Off: Dhole Patil Road, Pune - 411001<br>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.   | 4965, Preston Park Boulevard, Suite 500, Plano (Texas) 75093 United States of America                                                 | -                     | Subsidiary                     | 100             | 2(87)              |
| 2       | Tech Talenta Inc.               | 4965, Preston Park Boulevard, Suite 500, Plano (Texas) 75093 United States of America                                                 | -                     | Subsidiary                     | 100             | 2(87)              |
| 3       | 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)              |
| 4       | FixStream Networks Inc.         | Unisearch, Inc.<br>28 Old Rudnick Lane<br>Dover, DE 19901                                                                             | -                     | Subsidiary                     | 73.38           | 2(87)              |
| 5       | Fixstream India Private Limited | Unit no.408/409/410/417,4th Floor,Sigma Tech park, Delta Tower, Varthur Main Road, Ramagondanahalli, Bengaluru Karnataka 560066 India | U72200KA2013PTC104459 | Subsidiary                     | 73.37           | 2(87)              |

| Sr. No. | Name of the Company                            | Registered Address                                                                                                        | CIN/GLN               | Holding/ Subsidiary/ Associate | (%) shares held | Applicable Section |
|---------|------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------|-----------------|--------------------|
| 6       | Tech Mahindra GmbH                             | Fritz-Vomfelde-Str. 8, 40547 Düsseldorf                                                                                   | -                     | Subsidiary                     | 100             | 2(87)              |
| 7       | TechM IT - Services GmbH                       | Albertgasse 35, 1080 Vienna, Austria                                                                                      | -                     | Subsidiary                     | 100             | 2(87)              |
| 8       | Tech Mahindra Norway AS                        | Capus TS<br>Martin Linges vei 25<br>1364 FORNEBU<br>OSLO, NORWAY                                                          | -                     | Subsidiary                     | 100             | 2(87)              |
| 9       | Tech Mahindra (Singapore) Pte Limited          | No. 17, Changi Business Park, Central 1 #06-01, Honeywell Building, Singapore 486073                                      | -                     | Subsidiary                     | 100             | 2(87)              |
| 10      | Tech Mahindra (Thailand) Limited               | BB Building, 13th Floor, Unit No. 1304, Sukhumvit 21 Road (Asok), North Klongteoy Sub-district, Wattana District, Bangkok | -                     | Subsidiary                     | 100             | 2(87)              |
| 11      | PT Tech Mahindra Indonesia                     | Cyber 2 Tower, 17th Floor, Jl. HR Rasuna Said Blok X-5, Kav 13, Jakarta 12950 INDONESIA                                   | -                     | Subsidiary                     | 100             | 2(87)              |
| 12      | Tech Mahindra ICT Services (Malaysia) SDN. BHD | 35-3, Jalan SS 15/8A, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia                                                   | -                     | Subsidiary                     | 100             | 2(87)              |
| 13      | Tech Mahindra (Beijing) IT Services Limited    | Room 512-1 & 512-2, No.6 South Zhongguancun Street, Haidian District, Beijing                                             | -                     | Subsidiary                     | 100             | 2(87)              |
| 14      | Tech Mahindra (Nigeria) Limited                | 3rd Floor, 68A Coscharis Plaza, Adeola Odeku Street , Victoria Island, Lagos, Nigeria                                     | -                     | Subsidiary                     | 100             | 2(87)              |
| 15      | Tech Mahindra (Bahrain) Limited. S.P.C.        | Flat/shop 1126, Building 722, Road 1708, Block 317, Diplomatic Area. Bahrain                                              | -                     | Subsidiary                     | 100             | 2(87)              |
| 16      | Tech Mahindra Business Services Limited        | Spectrum Towers, Mindspace Complex, Off Link Road, Malad (West), Mumbai, Maharashtra-400064                               | U72900MH2006PLC159149 | Subsidiary                     | 100             | 2(87)              |
| 17      | Tech Mahindra South Africa (Pty) Limited       | 56 Karee Drive, Walton Road, Carlsward, Gauteng 1685                                                                      | -                     | Subsidiary                     | 48.96           | 2(87)              |
| 18      | Tech Mahindra Holdco Pty Limited               | 56 Karee Drive, Walton Road, Carlsward, Gauteng 1685                                                                      | -                     | Subsidiary                     | 96              | 2(87)              |
| 19      | Tech Mahindra (Shanghai) Co Ltd                | Suite 23102, 23104, 23204, Pudong Software Park, No. 498 Guoshoujing Road, Zhangjiang Hitech, Park, Shanghai              | -                     | Subsidiary                     | 100             | 2(87)              |
| 20      | Tech Mahindra (Nanjing) Co. Ltd                | Suite 413-246, Business Building, Nanjing Hightech Industry Developing Zone, Nanjing                                      | -                     | Subsidiary                     | 100             | 2(87)              |
| 21      | Tech Mahindra Technologies, Inc.               | 251 Little Falls Drive, Wilmington, New Castle, Delaware, 19808                                                           | -                     | Subsidiary                     | 100             | 2(87)              |
| 22      | The Bio Agency Ltd                             | 70 Wilson Street, London, United Kingdom, EC2A 2DB                                                                        | -                     | Subsidiary                     | 100             | 2(87)              |

| Sr. No. | Name of the Company                                       | Registered Address                                                                                                               | CIN/GLN               | Holding/ Subsidiary/ Associate | (%) shares held | Applicable Section |
|---------|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------|-----------------|--------------------|
| 23      | Tech Mahindra Vietnam Company Limited                     | HimJam Business Center, 21st Floor, Capital Tower, No.109 Tran Hung Dao, Cua Nam Ward, Hoan Kiem District, Ha noi City, Vietnam  | -                     | Subsidiary                     | 100             | 2(87)              |
| 24      | Citisoft Plc.,                                            | 63 Queen Victoria Street, London, England, EC4N 4UA                                                                              | -                     | Subsidiary                     | 100             | 2(87)              |
| 25      | Citisoft Inc.,                                            | 343 Congress Street, Boston, MA 02210                                                                                            | -                     | Subsidiary                     | 100             | 2(87)              |
| 26      | Tech Mahindra Servicos De Informatica Ltda                | Rua Quintana, 887,12th Floor,Brooklin Novo, Suite 121, Sao paulo,SP CEP 04569-011                                                | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 27      | Tech Mahindra De Mexico S.DE R.L.DE C.V                   | Av. Eje 5 Norte # 990 Edificio F - Planta Baja Colonia Santa Bárbara, C.P. 02230 Delegación Azcapotzalco Distrito Federal México | -                     | Subsidiary                     | 100             | 2(87)              |
| 28      | Satyam Venture Engineering Services Private Limited       | 1-8-301-306, 3rd Floor, Ashoka Myhome Chambers, S.P. Road, Secunderabad, Telangana, India – 500 003                              | U72200AP2000PTC033213 | Subsidiary                     | 50              | 2(87)              |
| 29      | 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)              |
| 30      | Satven GmbH                                               | Leopoldstr. 244,80807 Munchen Germany                                                                                            | -                     | Subsidiary                     | 50              | 2(87)              |
| 31      | vCustomer Philippines Inc.,                               | 3rd Floor eCommerce Plaza, Eastwood City Cyberpark, Bagumbayan, Quezon City, Philippines                                         | -                     | Subsidiary                     | 100             | 2(87)              |
| 32      | vCustomer Philippines(Cebu), Inc.                         | 4th Floor, JESA Building, 90 General Maxllom Ave., Cebu City, Philippines                                                        | -                     | Subsidiary                     | 100             | 2(87)              |
| 33      | Mahindra Engineering Services (Europe) Limited            | Attrium Court,The Ring Bracknell Berkshire RG 12 1BW                                                                             | -                     | Subsidiary                     | 100             | 2(87)              |
| 34      | Inter-Informatics, spol. s r.o.                           | Prague 9, Kolcavka 3/75, Postal Code 19000, Czech Republic                                                                       | -                     | Subsidiary                     | 100             | 2(87)              |
| 35      | Inter-Informatics SRL                                     | 19-21 Primaverii Blvd., Corp B, 3rd floor, Bucharest-Sector 1                                                                    | -                     | Subsidiary                     | 100             | 2(87)              |
| 36      | TC Inter-Informatics a.s.                                 | Prague 9, Kolcavka 3/75, Postal Code 19000, Czech Republic                                                                       | -                     | Subsidiary                     | 100             | 2(87)              |
| 37      | Inter-Informatics s.r.o*                                  | Kutlikova 17, Bratislava, Postal Code 851 05, Slovak Republic                                                                    | -                     | Subsidiary                     | 100             | 2(87)              |
| 38      | K-Vision Co., Ltd                                         | 6-18, Kamiji 1-chome, Higashinari-ku, Osaka                                                                                      | -                     | Subsidiary                     | 100             | 2(87)              |
| 39      | Mahindra Technologies Services Inc                        | 101 W Big Beaver, 14 th Floor, Troy, Michigan 48084                                                                              | -                     | Subsidiary                     | 100             | 2(87)              |
| 40      | 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)              |

| Sr. No. | Name of the Company                      | Registered Address                                                                                                                 | CIN/GLN               | Holding/ Subsidiary/ Associate | (%) shares held | Applicable Section |
|---------|------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------|-----------------|--------------------|
| 41      | NTH Dimension Ltd                        | 1st Floor, Charles Schwab Building, 401, Grafton Gate (E), Milton Keynes MK9 1AQ. UK                                               | -                     | Subsidiary                     | 100             | 2(87)              |
| 42      | Tech Mahindra Arabia Limited             | 12th Floor, Al - Hugyat Towers, Al Khobar 31952, Kingdom of Saudi Arabia                                                           | -                     | Subsidiary                     | 51              | 2(87)              |
| 43      | 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)              |
| 44      | Tech Mahindra France SAS*                | 17 Avenue Georges V 75008 Paris                                                                                                    | -                     | Subsidiary                     | 100             | 2(87)              |
| 45      | Tech Mahindra Netherlands B.V.           | 2516 CK The Hague, Maanplein 7, Building 4, The Netherlands                                                                        | -                     | Subsidiary                     | 100             | 2(87)              |
| 46      | Tech Mahindra Sweden AB                  | c/o Ola Hammarlund Room 501 & 538, Norrtullsgatan 6 113 29 STOCKHOLM                                                               | -                     | Subsidiary                     | 100             | 2(87)              |
| 47      | Tech Mahindra LLC                        | 251 Little Falls Drive, Wilmington, New Castle, Delaware, 19808                                                                    | -                     | Subsidiary                     | 100             | 2(87)              |
| 48      | Tech Mahindra Chile SpA                  | Mariano Sánchez Fontecilla 310, 2nd Floor, Office #201, Las Condes, 7550296 Santiago, CHILE                                        | -                     | Subsidiary                     | 100             | 2(87)              |
| 49      | Comviva Technologies Limited             | A-26, Info City, Sector - 34, Gurgaon, Haryana – 122001                                                                            | U72200HR1999PLC041214 | Subsidiary                     | 99.99           | 2(87)              |
| 50      | Comviva Technologies Inc.*               | 1411, Sawgrass Corporate Parkway, Ste B, Sunrise, FL33323-2888, USA                                                                | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 51      | Comviva Technologies Nigeria Limited     | 376, Ikorodu Road, (Kresta Laurel Complex), 4th Floor, Maryland, Lagos, Nigeria                                                    | -                     | Subsidiary                     | 99.98           | 2(87)              |
| 52      | Hedonmark (Management Services) Limited  | NCR Building 8th Fl,6 Broad Street,Lagos,PO Box 4706,Apapa                                                                         | -                     | Subsidiary                     | 74.99           | 2(87)              |
| 53      | Comviva Technologies Singapore Pte. Ltd  | 180B, Bencoolen Street, #12-05, The Bencoolen, Singapore 189648                                                                    | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 54      | Comviva Technologies FZ-LLC              | Office # 240, Building #16, 2nd Floor, Dubai Internet City, Dubai, UAE                                                             | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 55      | Comviva Technologies B.V.                | Overschiestraat 65, 1062 XD Amsterdam, The Netherlands                                                                             | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 56      | Comviva Technologies (Australia) Pty Ltd | Level 11, 68 Pitt St, SYDNEY NSW 2000                                                                                              | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 57      | Emagine International Pty Ltd            | Level 3, 55 Murray Street Pyrmont NSW 2009, Australia                                                                              | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 58      | Comviva Technologies Madagascar Sarlu    | Immeuble ARO Ampefiloha Escalier , Porte A402                                                                                      | -                     | Subsidiary                     | 99.99           | 2(87)              |

| Sr. No. | Name of the Company                                                                          | Registered Address                                                                                         | CIN/GLN               | Holding/ Subsidiary/ Associate | (%) shares held | Applicable Section |
|---------|----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------|-----------------|--------------------|
| 59      | Terra Payment Services South Africa (RF) (Pty) Ltd                                           | 104 Suite Lupin House, 101 DR R D Naidu Drive, Asherville Durban-4091, KZN                                 | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 60      | Terra Payment Services (Netherlands) BV                                                      | Overschiestraat 65, 1062 XD Amsterdam, The Netherlands                                                     | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 61      | Mobex Money Transfer Services Limited                                                        | James ngalawa Mutiso PO Box 214-00621, Village Market, Nairobi Kenya                                       | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 62      | Terrapay Services (UK) Limited*                                                              | 2nd Floor, Unit 4, Milbanke Court, Milbanke Way, Bracknell, Berkshire, England, RG12 1RP                   | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 63      | Comviva Technologies (Argentina) S.A.                                                        | Av. Corrientes 880, 11th Floor City of Buenos Aires Argentina                                              | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 64      | 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                     | 99.99           | 2(87)              |
| 65      | Terra Payment Services (Uganda) Limited                                                      | Arcadia Advocates, Acacia Place, 3rd Floor, Plot 6, Acacia Avenue, P O Box 28987, Kampala, Uganda          | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 66      | Terra Payment Services (Tanzania) Limited                                                    | Law Associates (Advocates), CRDB Building 6th Floor, Azikiwe Street P.O Box 11133, Dar es Salaam, Tanzania | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 67      | Terra Payment Services S.A.R.L                                                               | Dakar (Senegal) – Regus, 12 Boulevard Djily Mbaye, Building Azur 15, 2nd Floor, Republic of Senegal        | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 68      | Comviva Technologies Colombia S.A.S                                                          | AC 82, No.10 50 P.5, Bogota, Colombia                                                                      | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 69      | Terra Payment Services S.A.R.L                                                               | 61 Avenue Patrice LUMUMBA, Centre ville Brazzaville, Republic of the Congo                                 | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 70      | Terra Payment Services Botswana (Proprietary) Limited                                        | 1st Floor, Mokolwane House, Prime Plaza Plot 67978, Gaborone, Botswana                                     | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 71      | Terra Payment Services (UK) Ltd                                                              | 2nd Floor, Unit 4, Milbanke Court, Milbanke Way, Bracknell, Berkshire, England, RG12 1RP                   | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 72      | Terra Payment Services S.A.R.L                                                               | 2 Avenue du Musee, Immeuble Btour, 10 eme etage, Commune of Gombe, Kinshasa, Democratic Republic of Congo  | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 73      | Terra Payment Services (Mauritius)                                                           | IFS Court, Bank Street, Twenty Eight Cybercity, Ebene 72201, Mauritius                                     | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 74      | Terra Payment Services (India) Private Limited                                               | A-26, Info City, Sector-34, Gurugram, Gurgaon, Haryana, India, 122001                                      | U72900HR2017FTC070602 | Subsidiary                     | 99.99           | 2(87)              |
| 75      | Comviva Technologies Mexico, S de R.L. de C.V                                                | Guadalajara, Jalisco, Mexico                                                                               | -                     | Subsidiary                     | 99.99           | 2(87)              |

| Sr. No. | Name of the Company                                | Registered Address                                                                                              | CIN/GLN               | Holding/ Subsidiary/ Associate | (%) shares held | Applicable Section |
|---------|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------|-----------------|--------------------|
| 76      | YABX Technologies (Netherlands) B.V.               | Maanplein 7, 2516 CK The Hague                                                                                  | -                     | Subsidiary                     | 99.99           | 2(87)              |
| 77      | Sofgen Holdings Limited                            | Arch. Makariou III, 229 Meliza Court, 4th floor P.C. 3105 Limassol (Cyprus)                                     | -                     | Subsidiary                     | 100             | 2(87)              |
| 78      | Sofgen Americas Inc.,*                             | 99, Washington Avenue Suite 1008 Albany, NY 12260 – USA                                                         | -                     | Subsidiary                     | 100             | 2(87)              |
| 79      | Sofgen Services Limited*                           | Arch. Makariou III, 229 Meliza Court, 4th floor P.C. 3105 Limassol – Cyprus                                     | -                     | Subsidiary                     | 100             | 2(87)              |
| 80      | Sofgen Limited*                                    | Arch. Makariou III, 229 Meliza Court, 4th floor P.C. 3105 Limassol – Cyprus                                     | -                     | Subsidiary                     | 100             | 2(87)              |
| 81      | Sofgen (UK) Limited                                | Tech Mahindra Ltd, 3rd Floor, 63, Queen Victoria Street, Level 3, London EC4N 4UA                               | -                     | Subsidiary                     | 100             | 2(87)              |
| 82      | Sofgen Ireland Limited                             | Century House Harold's Cross Road Dublin 6W - Ireland                                                           | -                     | Subsidiary                     | 100             | 2(87)              |
| 83      | Sofgen Consulting AG                               | Löwenstrasse 20 8001 Zürich - Switzerland                                                                       | -                     | Subsidiary                     | 100             | 2(87)              |
| 84      | Sofgen SA                                          | chemin du Château-Bloch 11, c/o SOFGEN SaveTax SA, 1219 Le Lignon – Geneva, Switzerland                         | -                     | Subsidiary                     | 100             | 2(87)              |
| 85      | Sofgen Africa Limited                              | L.R. 7158/602, Kalamu House, Grevillea Grove, Westlands, P.O. Box 47323, 00100 NAIROBI                          | -                     | Subsidiary                     | 100             | 2(87)              |
| 86      | Sofgen West Africa Limited*                        | 10 Notei Abadio Street Airport Residential Area DTD 78 Cantonments Accra, Ghana – Africa                        | -                     | Subsidiary                     | 100             | 2(87)              |
| 87      | 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)              |
| 88      | Sofgen Sdn Bhd                                     | 26-2, Lorong 6E/91, Taman Shamelin Perkasa, 56100 Kuala Lumpur                                                  | -                     | Subsidiary                     | 100             | 2(87)              |
| 89      | Sofgen Services Pte. Ltd.                          | 138 CECIL STREET, #13-02 CECIL COURT, Singapore 069538                                                          | -                     | Subsidiary                     | 100             | 2(87)              |
| 90      | Lightbridge Communications Corporation             | 4965, Preston Park Boulevard, Suite 500, Plano (Texas) 75093 United States of America                           | -                     | Subsidiary                     | 100             | 2(87)              |
| 91      | Tech Mahindra Network Services International Inc., | 4965, Preston Park Boulevard, Suite 500, Plano (Texas) 75093 United States of America                           | -                     | Subsidiary                     | 100             | 2(87)              |
| 92      | Tech Mahindra Network Design Services, Inc.,*      | 4965, Preston Park Boulevard, Suite 500, Plano (Texas) 75093 United States of America                           | -                     | Subsidiary                     | 100             | 2(87)              |
| 93      | 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)              |
| 94      | Tech Mahindra Network Services Belgium             | Leuvensesteenweg 555 1930 Zaventem. Belgium                                                                     | -                     | Subsidiary                     | 100             | 2(87)              |

| Sr. No. | Name of the Company                           | Registered Address                                                                                   | CIN/GLN | Holding/ Subsidiary/ Associate | (%) shares held | Applicable Section |
|---------|-----------------------------------------------|------------------------------------------------------------------------------------------------------|---------|--------------------------------|-----------------|--------------------|
| 95      | LCC France SARL                               | 410 Clos de la Courtine 93160 Noisy-Le-Grand France                                                  | -       | Subsidiary                     | 100             | 2(87)              |
| 96      | LCC Telecom GmbH                              | Neumannstrasse 2<br>40235 Dusseldorf                                                                 | -       | Subsidiary                     | 100             | 2(87)              |
| 97      | LCC Design and Deployment Services Ltd.       | 1 Danais & Perikleous St<br>15344 Gerakas                                                            | -       | Subsidiary                     | 100             | 2(87)              |
| 98      | LCC Italia s.r.l.                             | Via Francesco Antolisei, 6,<br>00173 Roma, Italy                                                     | -       | Subsidiary                     | 100             | 2(87)              |
| 99      | LCC Network Services, B.V.                    | Ruwegkampweg 4,<br>Postbus 2206, 5202 CE's-<br>Hertogenbosch, The Netherlands                        | -       | Subsidiary                     | 100             | 2(87)              |
| 100     | LCC Projects B.V.*                            | Ruwegkampweg 4,<br>Postbus 2206, 5202 CE's-<br>Hertogenbosch, The Netherlands                        | -       | Subsidiary                     | 100             | 2(87)              |
| 101     | LCC Telecom Infra Projects BV*                | Amerikastraat 7, 5232 BE's-<br>Hertogenbosch, Postbus 2206                                           | -       | Subsidiary                     | 100             | 2(87)              |
| 102     | LCC Telecom Infra Professionals BV*           | Amerikastraat 7, 5232 BE's-<br>Hertogenbosch, Postbus 2206                                           | -       | Subsidiary                     | 100             | 2(87)              |
| 103     | LCC Installation & Services Projects BV*      | Amerikastraat 7, 5232 BE's-<br>Hertogenbosch, Postbus 2206                                           | -       | Subsidiary                     | 100             | 2(87)              |
| 104     | LCC Installation & Services Professionals BV* | Amerikastraat 7, 5232 BE's-<br>Hertogenbosch, Postbus 2206                                           | -       | Subsidiary                     | 100             | 2(87)              |
| 105     | LCC Professionals, B.V.*                      | Amerikastraat 7-11,<br>S'Hertogenbosch,<br>5232, Netherlands                                         | -       | Subsidiary                     | 100             | 2(87)              |
| 106     | LCC North Central Europe ,B.V.                | Amerikastraat 7, 5232 BE's-<br>Hertogenbosch, Postbus 2206                                           | -       | Subsidiary                     | 100             | 2(87)              |
| 107     | LCC Europe B.V                                | Ruwegkampweg 4,<br>Postbus 2206, 5202 CE's-<br>Hertogenbosch, The Netherlands                        | -       | Subsidiary                     | 100             | 2(87)              |
| 108     | LCC Wireless Communications Espana, SA        | C/ Estrella Denebola 8 Planta 2<br>28045 Madrid                                                      | -       | Subsidiary                     | 100             | 2(87)              |
| 109     | LCC Telekomunikasyon Servis Limited           | Ergenekon Cad. Ştat ŞŞ<br>Merkezi K:5 D:501 Feriköy-ŞŞ/<br>Şstanbul                                  | -       | Subsidiary                     | 100             | 2(87)              |
| 110     | LCC United Kingdom Limited                    | Pinewood Crockford Lane<br>Chineham Business Park<br>Basingstoke<br>England<br>RG24 8AL              | -       | Subsidiary                     | 100             | 2(87)              |
| 111     | LCC Deployment Services, UK Limited           | Pinewood Crockford Lane<br>Chineham Business Park<br>Basingstoke<br>England<br>RG24 8AL              | -       | Subsidiary                     | 100             | 2(87)              |
| 112     | LCC Networks Poland Sp.z.o.o                  | ul. WYRZYSKA, nr 9A, lok. ---,<br>miejsc. WARSZAWA, kod 02-<br>455, poczta, WARSZAWA, kraj<br>POLSKA | -       | Subsidiary                     | 100             | 2(87)              |

| Sr. No. | Name of the Company                                  | Registered Address                                                                           | CIN/GLN               | Holding/ Subsidiary/ Associate | (%) shares held | Applicable Section |
|---------|------------------------------------------------------|----------------------------------------------------------------------------------------------|-----------------------|--------------------------------|-----------------|--------------------|
| 113     | LCC Wireless Communications Services Marox, SARLAU   | 186 Av Mehdi Ben Barka Appt N 22, Bourgogne 20053, Casablanca, Morocco                       | -                     | Subsidiary                     | 100             | 2(87)              |
| 114     | Lightbridge Middle East Holdings, Inc.*              | 7900 Westfields Blvd, Suite 300A McLean VA 22102                                             | -                     | Subsidiary                     | 100             | 2(87)              |
| 115     | LCC Middle East FZ-LLC                               | Dubai Internet City Shatha Tower, office#1206 P.O.BOX 500639, Dubai                          | -                     | Subsidiary                     | 100             | 2(87)              |
| 116     | LCC Engineering & Deployment Services Misr, Ltd      | Office 4 Al Maqdes Al Qabari, Nasr City, Cairo, Egypt                                        | -                     | Subsidiary                     | 100             | 2(87)              |
| 117     | LCC India Private Limited*                           | 2nd Floor, Sucheta Bhawan, Gate No 2, 11-A Vishnu Digambar Marg, New Delhi - 110 002         | U64202DL2004PTC126500 | Subsidiary                     | 100             | 2(87)              |
| 118     | LCC Saudi Telecom Services, Ltd.                     | Offices 4&5; 2nd Floor Al-Mizan Tower PO Box 2432 Riyadh Saudi Arabia                        | -                     | Subsidiary                     | 100             | 2(87)              |
| 119     | LCC Saudi Arabia Telecom Services Co. Ltd/Jordan WLL | Amman - Faihaa Bldg -2nd Floor - Office No 102                                               | -                     | Subsidiary                     | 100             | 2(87)              |
| 120     | LCC Muscat LLC                                       | Muscat Governorate/ As Seeb/ Wahat Al Marafa/ PO Box 3360/ Postal Code 111                   | -                     | Subsidiary                     | 100             | 2(87)              |
| 121     | Lightbridge Communications Corporations LLC          | P.O Box No: 18698, Doha, State of Qatar                                                      | -                     | Subsidiary                     | 49              | 2(87)              |
| 122     | LCC do Brasil Ltda                                   | Veirano Advogados, Av. Brigardeiro Faria Lima, 377-160andar, CEP: 04538-133-São Paulo-Brasil | -                     | Subsidiary                     | 100             | 2(87)              |
| 123     | 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)              |
| 124     | Leadcom Integrated Solutions International B.V.      | 2 Martinus Nijhofflaan, 2624 ES Delft, the Netherlands                                       | -                     | Subsidiary                     | 100             | 2(87)              |
| 125     | Leadcom Integrated Solutions (L.I.S.) Ltd.           | 10 Hahagana Street, Or Yehuda Israel                                                         | -                     | Subsidiary                     | 100             | 2(87)              |
| 126     | Leadcom Ghana Limited                                | House No. RR147A Olusegun Obasanjo Road PMB KA 34 Roman Ridge Accra, Ghana                   | -                     | Subsidiary                     | 100             | 2(87)              |
| 127     | Leadcom Gabon S.A.                                   | Quartier Louis Deriere le Cotton Club B.P. 4638 Libreville, Gabon                            | -                     | Subsidiary                     | 100             | 2(87)              |
| 128     | Leadcom Uganda Limited                               | Mobile 256-71-142630 Plot 2 Neptune Avenue Mbuya, Kampala PO Box 50029 Uganda                | -                     | Subsidiary                     | 100             | 2(87)              |
| 129     | Leadcom DRC SPRL                                     | Leadcom Avenue Basoko, No. 521, Commune de la Gombe Kinshasa, DRC                            | -                     | Subsidiary                     | 100             | 2(87)              |
| 130     | Leadcom Integrated Solutions Tanzania Ltd.           | 2379/34 Winding Avenue Oyster Bay Dar Es Salaam, Tanzania                                    | -                     | Subsidiary                     | 100             | 2(87)              |

| Sr. No. | Name of the Company                                  | Registered Address                                                                                             | CIN/GLN | Holding/<br>Subsidiary/<br>Associate | (%)<br>shares<br>held | Applicable<br>Section |
|---------|------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|---------|--------------------------------------|-----------------------|-----------------------|
| 131     | Leadcom Integrated Solutions Rwanda Ltd.             | Sulfo House Door 6B<br>Gikondo Kigali, Rwanda                                                                  | -       | Subsidiary                           | 100                   | 2(87)                 |
| 132     | Leadcom Integrated Solutions Tchad SARL              | Zone Industrielle - Farcha<br>BP 6718 N'Djamena Chad                                                           | -       | Subsidiary                           | 100                   | 2(87)                 |
| 133     | Leadcom Integrated Solutions (SPV) SAS               | 4 Cité Joly 75011 Paris                                                                                        | -       | Subsidiary                           | 100                   | 2(87)                 |
| 134     | STA Gabon                                            | Quartier Louis Deriere<br>le Cotton Club B.P. 4638<br>Libreville, Gabon                                        | -       | Subsidiary                           | 100                   | 2(87)                 |
| 135     | STA Dakar                                            | 22, avenue Albert Sarraut<br>BP 6147 Etoile Dakar                                                              | -       | Subsidiary                           | 100                   | 2(87)                 |
| 136     | Societe deTelecommunications Africaine (STA) Abidjan | Rue Chevalier DE CLIEU,<br>Marcory, Abidjan, Cote<br>d'Ivoire 01 BP 3910<br>Abidjan 01 Cote d'Ivoire           | -       | Subsidiary                           | 100                   | 2(87)                 |
| 137     | Coniber S.A.                                         | Plaza Independencia<br>822, apartamento 801,<br>Montevideo, Uruguay                                            | -       | Subsidiary                           | 100                   | 2(87)                 |
| 138     | Tech-Mahindra de Peru S.A.C.                         | Canaval y Moreyra #<br>340, San Isidro, Lima<br>Codigo Postal Lima 27                                          | -       | Subsidiary                           | 100                   | 2(87)                 |
| 139     | Tech-Mahindra Guatemala S.A                          | 12 calle 1-25 zona 10<br>edificio GEMINIS 10 TORRE<br>SUR NIVEL 16 OFICINA<br>1607 "A" Guatemala               | -       | Subsidiary                           | 100                   | 2(87)                 |
| 140     | Tech-Mahindra Bolivia S.R.L.                         | 3 ere. Anillo Interno - Zona<br>San Martin Calle 9 B - Este<br>N33 Santa Cruz – Bolivia                        | -       | Subsidiary                           | 100                   | 2(87)                 |
| 141     | Tech-Mahindra Ecuador S.A                            | Kenedy Norte Manzana<br>1010 Solares 7, 8 y 9<br>Guayaquil, Ecuador                                            | -       | Subsidiary                           | 100                   | 2(87)                 |
| 142     | Tech-Mahindra Panama, S.A.                           | Via Simon Bolivar,<br>(Transistmica) Edif<br>H. Herburger oficina<br>5 y 10 Panama                             | -       | Subsidiary                           | 100                   | 2(87)                 |
| 143     | Tech Mahindra Costa Rica Sociedad Anonima            | Sabana Sur, Calle Morenos<br>150 mt Sur del Supermercado<br>AMPM Edificio color papaya,<br>San Jose Costa Rica | -       | Subsidiary                           | 100                   | 2(87)                 |
| 144     | Tech Mahindra Colombia S.A.S                         | Cra.45 #97 50 Of.1102, Bogotá,<br>Colombia                                                                     | -       | Subsidiary                           | 100                   | 2(87)                 |
| 145     | Tech-Mahindra S.A                                    | Av. Córdoba 795, 4to Piso,<br>Of. "8", C.A.B.A. (C1054AAG),<br>Argentina                                       | -       | Subsidiary                           | 100                   | 2(87)                 |
| 146     | Leadcom Integrated Solutions Kenya Limited           | Mayfair Business Center<br>2nd floor Masapo Close,<br>Westland's Nairobi, Kenya                                | -       | Subsidiary                           | 100                   | 2(87)                 |
| 147     | Leadcom Integrated Solutions Myanmar Co., Ltd        | 14/E University Avenue<br>Compound New University<br>Road, Bahan Township<br>Yangon, Myanmar                   | -       | Subsidiary                           | 100                   | 2(87)                 |
| 148     | PF Holdings B.V.                                     | Maanplein 20, 2516 CK, The<br>Hague, the Netherlands                                                           | -       | Subsidiary                           | 60                    | 2(87)                 |
| 149     | Pininfarina S.p.A.                                   | Via Bruno Buozzi 6 - Turin -<br>Italy                                                                          | -       | Subsidiary                           | 45.69                 | 2(87)                 |

| Sr. No. | Name of the Company                           | Registered Address                                                                         | CIN/GLN | Holding/ Subsidiary/ Associate | (%) shares held | Applicable Section |
|---------|-----------------------------------------------|--------------------------------------------------------------------------------------------|---------|--------------------------------|-----------------|--------------------|
| 150     | Pininfarina Extra S.r.l.*                     | Via Bruno Buozzi 6 - Turin - Italy                                                         | -       | Subsidiary                     | 45.69           | 2(87)              |
| 151     | Pininfarina of America Corp.                  | 1101 Brickell Ave - South Tower - 8th Floor - Miami FL USA                                 | -       | Subsidiary                     | 45.69           | 2(87)              |
| 152     | Pininfarina Deutschland Holding Gmbh          | Riedwiesenstr. 1, Leonberg, Germany                                                        | -       | Subsidiary                     | 45.69           | 2(87)              |
| 153     | Pininfarina Deutschland Gmbh                  | Frankfurter Ring 81, Monaco, Germany                                                       | -       | Subsidiary                     | 45.69           | 2(87)              |
| 154     | Pininfarina Shanghai Co., Ltd                 | Unit 1, Building 3, Lane 56, Antuo Road, Anting, 201805, Jiading district, Shanghai, China | -       | Subsidiary                     | 45.69           | 2(87)              |
| 155     | Pininfarina Engineering S.R.L                 | Via Bruno Buozzi 6 – 10121 - Turin                                                         | -       | Subsidiary                     | 45.69           | 2(87)              |
| 156     | Tech Mahindra Fintech Holdings Limited        | 401 Grafton Gate Milton Keynes United Kingdom MK9 1AQ                                      | -       | Subsidiary                     | 90.63           | 2(87)              |
| 157     | Target Topco Limited                          | Target House, Cowbridge Road East, Cardiff, S Glamorgan CF11 9AU                           | -       | Subsidiary                     | 90.63           | 2(87)              |
| 158     | Target TG Investments Limited                 | Target House, Cowbridge Road East, Cardiff, S Glamorgan CF11 9AU                           | -       | Subsidiary                     | 90.63           | 2(87)              |
| 159     | Target Group Limited                          | Target House, 5-19 Cowbridge Road East, Cardiff, S Glamorgan CF11 9AU                      | -       | Subsidiary                     | 90.63           | 2(87)              |
| 160     | Target Servicing Limited                      | Target House, Cowbridge Road East, Cardiff, S Glamorgan CF11 9AU                           | -       | Subsidiary                     | 90.63           | 2(87)              |
| 161     | Target Financial Systems Limited              | Target House, 5-19 Cowbridge Road East, Cardiff, S Glamorgan CF11 9AU                      | -       | Subsidiary                     | 90.63           | 2(87)              |
| 162     | Elderbridge Limited                           | Target House, Cowbridge Road East, Cardiff, S Glamorgan CF11 9AU                           | -       | Subsidiary                     | 90.63           | 2(87)              |
| 163     | Harlosh Limited                               | Target House, Cowbridge Road East, Cardiff, S Glamorgan CF11 9AU                           | -       | Subsidiary                     | 90.63           | 2(87)              |
| 164     | Harlosh NZ Limited                            | C/o Ulrich Bowker Limited, 21 Broderick Road, Johnsonville, Wellington, 6037, New Zealand  | -       | Subsidiary                     | 90.63           | 2(87)              |
| 165     | Tech Mahindra Healthcare Systems Holdings LLC | 2711 Centerville Road, Suite 400, Wilmington, New Castle, Delaware 19808.                  | -       | Subsidiary                     | 88.81           | 2(87)              |
| 166     | Tech Mahindra Healthcare LLC                  | 2711 Centerville Road, Suite 400, Wilmington, New Castle, Delaware 19808.                  | -       | Subsidiary                     | 88.81           | 2(87)              |
| 167     | The CJS Solutions Group, LLC                  | 6440 Southpoint Parkway, Suite 300 Jacksonville, Florida 32216                             | -       | Subsidiary                     | 100             | 2(87)              |

| Sr. No. | Name of the Company                     | Registered Address                                                                                   | CIN/GLN               | Holding/ Subsidiary/ Associate | (%) shares held | Applicable Section |
|---------|-----------------------------------------|------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------|-----------------|--------------------|
| 168     | HCI Group UK Limited                    | International House 24<br>Holborn Viaduct London EC1A<br>2BN England                                 | -                     | Subsidiary                     | 100             | 2(87)              |
| 169     | Healthcare Clinical Informatics Limited | International House 24<br>Holborn Viaduct London EC1A<br>2BN England                                 | -                     | Subsidiary                     | 100             | 2(87)              |
| 170     | High Resolution Consulting Limited*     | The Centre Lodge Drive,<br>Baglan, Port Talbot, West Glamorgan, SA12 8UB                             | -                     | Subsidiary                     | 100             | 2(87)              |
| 171     | High Resolution Resourcing Limited*     | The Centre Lodge Drive,<br>Baglan, Port Talbot, West Glamorgan, Wales, SA12 8UB                      | -                     | Subsidiary                     | 100             | 2(87)              |
| 172     | HCI Group DMCC                          | Ag Tower Jumeirah Lakes Towers, Dubai, UNITED ARAB EMIRATES                                          | -                     | Subsidiary                     | 100             | 2(87)              |
| 173     | CJS Solutions Group Canada ULC          | 20th Floor, 250 HOWE Street, Vancouver BC V6C 3R8, CANADA                                            | -                     | Subsidiary                     | 100             | 2(87)              |
| 174     | HCI Group Australia Pty Ltd             | Unit 22 12 Esperance Court, CLEVELAND- 4163, AUSTRALIA                                               | -                     | Subsidiary                     | 100             | 2(87)              |
| 175     | Mahindra Educational Institutions       | Survey No: 62/1A, Bahadurpally, Jeedimetla, Hyderabad - 500 043, Telangana, India                    | U80300TG2013NPL086878 | Subsidiary                     | 100             | 2(87)              |
| 176     | Tech Mahindra Foundation                | Oberoji Gardens Estate, Chandivali, Off Saki Vihar Road, Andheri (E), Mumbai – 400 072               | U85310MH2006NPL160651 | Subsidiary                     | 100             | 2(87)              |
| 177     | Avion Networks, Inc.                    | C/o. Incorporating Services, Ltd., 3500 South DuPont Highway, Dover, County of Kent, Delaware, 19901 | -                     | Associate                      | 30              | 2(6)               |
| 178     | SARL Djazatech                          | Bab Ezzouar Business District, Lot Nr. 94, Algiers, 16311, Algeria                                   | -                     | Associate                      | 49              | 2(6)               |
| 179     | EURL LCC UK Algeria                     | Bab Ezzouar Business District, Lot Nr. 94, Algiers, 16311, Algeria                                   | -                     | Associate                      | 49              | 2(6)               |
| 180     | IQS Information Solutions WLL*          | Suite 45, 10th Floor, Al Reem Tower, West Bay, Doha, Sate of Qatar                                   | -                     | Associate                      | 20              | 2(6)               |
| 181     | Goodmind S.r.l.                         | Via Nazionale 30 - Cambiano - Italy                                                                  | -                     | Associate                      | 9.14            | 2(6)               |
| 182     | Signature S.r.l.                        | Via Paolo Frisi n. 6 – 48124 – Ravenna (RA), Italy                                                   | -                     | Associate                      | 10.97           | 2(6)               |
| 183     | AltioStar Networks, Inc.                | 200 Ames Pond Drive Tewksbury, MA 01876                                                              | -                     | Associate                      | 23.33           | 2(6)               |

\* Closed, Dissolved, Liquidated, Merged, Struck off as of March 31, 2019.

**Note:**

- 1 Entities listed at Sr. No. 18, 47, 48, 76, 155 have been Formed during the year.
- 2 Entities listed at Sr. No. 34 to 38 have become Subsidiaries.

#### 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                                        | -                                               | -             | -                  | -                 | -                                         | -             | -                  | -                 | -                        |
| (b)        | Central Government / State Government(s)                                    | -                                               | -             | -                  | -                 | -                                         | -             | -                  | -                 | -                        |
| (c)        | Bodies Corporate                                                            | 256,450,608                                     | -             | 256,450,608        | 26.18             | 256,450,608                               | -             | 256,450,608        | 26.08             | -0.10                    |
| (d)        | Financial Institutions / Banks                                              | -                                               | -             | -                  | -                 | -                                         | -             | -                  | -                 | -                        |
| (e)        | Any Other (specify)                                                         | -                                               | -             | -                  | -                 | -                                         | -             | -                  | -                 | -                        |
|            | TML Benefit Trust (Through Mr. Ulhas N. Yargop, Trustee)                    | 96,000,000                                      | -             | 96,000,000         | 9.80              | 96,000,000                                | -             | 96,000,000         | 9.76              | -0.04                    |
|            | <b>Sub-Total (A)(1)</b>                                                     | <b>352,450,608</b>                              | <b>-</b>      | <b>352,450,608</b> | <b>35.98</b>      | <b>352,450,608</b>                        | <b>-</b>      | <b>352,450,608</b> | <b>35.84</b>      | <b>-0.14</b>             |
| <b>2</b>   | <b>Foreign</b>                                                              |                                                 |               |                    |                   |                                           |               |                    |                   |                          |
| (a)        | Individuals (Non-Resident Individuals/ Foreign Individuals)                 | -                                               | -             | -                  | -                 | -                                         | -             | -                  | -                 | -                        |
| (b)        | Bodies Corporate                                                            | 242,904                                         | -             | 242,904            | 0.02              | 242,904                                   | -             | 242,904            | 0.02              | 0.00                     |
| (c)        | Institutions                                                                | -                                               | -             | -                  | -                 | -                                         | -             | -                  | -                 | -                        |
| (d)        | Qualified Foreign Investor                                                  | -                                               | -             | -                  | -                 | -                                         | -             | -                  | -                 | -                        |
| (e)        | Any Other (specify)                                                         | -                                               | -             | -                  | -                 | -                                         | -             | -                  | -                 | -                        |
|            | <b>Sub-Total (A)(2)</b>                                                     | <b>242,904</b>                                  | <b>-</b>      | <b>242,904</b>     | <b>0.02</b>       | <b>242,904</b>                            | <b>-</b>      | <b>242,904</b>     | <b>0.02</b>       | <b>0.00</b>              |
|            | <b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b> | <b>352,693,512</b>                              | <b>-</b>      | <b>352,693,512</b> | <b>36.00</b>      | <b>352,693,512</b>                        | <b>-</b>      | <b>352,693,512</b> | <b>35.87</b>      | <b>-0.13</b>             |
| <b>(B)</b> | <b>Public shareholding</b>                                                  |                                                 |               |                    |                   |                                           |               |                    |                   |                          |
| <b>1</b>   | <b>Institutions</b>                                                         |                                                 |               |                    |                   |                                           |               |                    |                   |                          |
| (a)        | Mutual Funds/UTI                                                            | 66,139,661                                      | 4,932         | 66,144,593         | 6.75              | 83,906,405                                | 4,932         | 83,911,337         | 8.53              | 1.78                     |
| (b)        | Financial Institutions/ Banks                                               | 4,372,523                                       | -             | 4,372,523          | 0.45              | 1,676,614                                 | -             | 1,676,614.00       | 0.17              | -0.28                    |
| (c)        | Central Government/ State Government(s)                                     | 2,144,427                                       | -             | 2,144,427          | 0.22              | 1,637,080                                 | -             | 1,637,080          | 0.17              | -0.05                    |
| (d)        | Venture Capital Funds                                                       | -                                               | -             | -                  | -                 | -                                         | -             | -                  | -                 | -                        |
| (e)        | Insurance Companies                                                         | 50,532,137                                      | -             | 50,532,137         | 5.17              | 26,904,852                                | -             | 26,904,852         | 2.74              | -2.42                    |
| (f)        | Foreign Institutional Investors                                             | 10,386,796                                      | 11,836        | 10,398,632         | 1.06              | 6,916,448                                 | 11,836        | 6,928,284          | 0.70              | -0.36                    |
| (g)        | Foreign Venture Capital Investors / Alternate Investment Funds              | 829,855                                         | -             | 829,855            | 0.08              | 2,164,432                                 | -             | 2,164,432          | 0.22              | 0.14                     |
| (h)        | Qualified Foreign Investor                                                  | -                                               | -             | -                  | -                 | -                                         | -             | -                  | -                 | -                        |
| (i)        | Any Other (specify) Foreign Portfolio Investor (Corporate)                  | 371,659,289                                     | -             | 371,659,289        | 37.93             | 374,716,811                               | -             | 374,716,811        | 38.11             | 0.18                     |
|            | <b>Sub-Total (B)(1)</b>                                                     | <b>506,064,688</b>                              | <b>16,768</b> | <b>506,081,456</b> | <b>51.66</b>      | <b>497,922,642</b>                        | <b>16,768</b> | <b>497,939,410</b> | <b>50.64</b>      | <b>-1.02</b>             |
| <b>2</b>   | <b>Non-institutions</b>                                                     |                                                 |               |                    |                   |                                           |               |                    |                   |                          |
| (a)        | Bodies Corporate                                                            | 17,955,535                                      | 42,860        | 17,998,395         | 1.84              | 19,187,427                                | 41,892        | 19,229,319         | 1.96              | 0.12                     |
| (b)        | Individuals -                                                               |                                                 |               |                    |                   |                                           |               |                    |                   |                          |
|            | i. Individual shareholders holding nominal share capital up to ₹ 1 lakh.    | 64,403,846                                      | 1,495,160     | 65,899,006         | 6.73              | 68,306,795                                | 1,325,356     | 69,632,151         | 7.08              | 0.35                     |

|     | 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 |                          |
|     | ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh. | 19,760,564                                      | 47,056           | 19,807,620         | 2.02              | 19,803,945                                | 47,056           | 19,851,001         | 2.02              | 0.00                     |
| (c) | Qualified Foreign Investor                                                       | -                                               | -                | -                  | -                 | -                                         | -                | -                  | -                 | -                        |
| (d) | Any Other (specify)                                                              |                                                 |                  |                    |                   |                                           |                  |                    |                   |                          |
|     | i. Non Resident Indians                                                          | 8,123,843                                       | 538,464          | 8,662,307          | 0.88              | 7,631,258                                 | 525,760          | 8,157,018          | 0.83              | -0.05                    |
|     | ii. Foreign Nationals                                                            | 237,322                                         | 900              | 238,222            | 0.02              | 222,290                                   | 900              | 223,190            | 0.02              | 0.00                     |
|     | iii. Trusts                                                                      | 4,823,323                                       | -                | 4,823,323          | 0.49              | 6,855,172                                 | -                | 6,855,172          | 0.69              | 0.20                     |
|     | iv. Clearing Members                                                             | 1,537,294                                       | -                | 1,537,294          | 0.16              | 6,010,188                                 | -                | 6,010,188          | 0.61              | 0.45                     |
|     | v. Overseas Bodies Corporates                                                    | 2,348                                           | -                | 2,348              | 0.00              | 2,348                                     | -                | 2,348              | 0.00              | 0.00                     |
|     | vi. Hindu Undivided Family                                                       | 1,659,101                                       | -                | 1,659,101          | 0.17              | 2,262,278                                 | -                | 2,262,278          | 0.23              | 0.06                     |
|     | vii. Unclaimed Shares                                                            | 331,124                                         | -                | 331,124            | 0.03              | 330,420                                   | -                | 330,420            | 0.03              | 0.00                     |
|     | viii. Foreign Portfolio Investor (individual)                                    | 100                                             | -                | 100                | 0.00              | 100                                       | -                | 100                | 0.00              | -                        |
|     | ix. NBFCs registered with RBI                                                    | -                                               | -                | -                  | -                 | 141,337                                   | -                | 141,337            | 0.01              | 0.01                     |
|     | x. Investor Educational And Protection Fund                                      | -                                               | -                | -                  | -                 | 35,026                                    | -                | 35,026             | 0.00              | 0.00                     |
|     | <b>Sub-Total (B)(2)</b>                                                          | <b>118,834,400</b>                              | <b>2,124,440</b> | <b>120,958,840</b> | <b>12.34</b>      | <b>130,788,584</b>                        | <b>1,940,964</b> | <b>132,729,548</b> | <b>13.49</b>      | <b>1.14</b>              |
|     | <b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>                               | <b>624,899,088</b>                              | <b>2,141,208</b> | <b>627,040,296</b> | <b>64.00</b>      | <b>628,711,226</b>                        | <b>1,957,732</b> | <b>630,668,958</b> | <b>64.13</b>      | <b>0.13</b>              |
|     | <b>TOTAL (A)+(B)</b>                                                             | <b>977,592,600</b>                              | <b>2,141,208</b> | <b>979,733,808</b> | <b>100.00</b>     | <b>981,404,738</b>                        | <b>1,957,732</b> | <b>983,362,470</b> | <b>100.00</b>     | <b>0.00</b>              |
| (C) | Shares held by Custodians and against which Depository Receipts have been issued | Not Applicable                                  |                  |                    |                   |                                           |                  |                    |                   |                          |
|     | <b>GRAND TOTAL (A)+(B)+(C)</b>                                                   | <b>977,592,600</b>                              | <b>2,141,208</b> | <b>979,733,808</b> | <b>100.00</b>     | <b>981,404,738</b>                        | <b>1,957,732</b> | <b>983,362,470</b> | <b>100.00</b>     | <b>0.00</b>              |

## (ii) Shareholding of Promoters:

| SI 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                             | 256,248,704                               | 26.16                            | -                                                | 256,248,704                         | 26.06                            | -                                                | 0.10                                      |
| 2      | TML Benefit Trust (Through Mr. Ulhas N. Yargop Trustee) | 96,000,000                                | 9.80                             | -                                                | 96,000,000                          | 9.76                             | -                                                | 0.04                                      |
| 3      | Mahindra-BT Investment Company (Mauritius) Limited      | 242,904                                   | 0.02                             | -                                                | 242,904                             | 0.02                             | -                                                | 0.00                                      |
| 4      | Mahindra Holdings Limited                               | 201,904                                   | 0.02                             | -                                                | 201,904                             | 0.02                             | -                                                | 0.00                                      |
|        | <b>Total</b>                                            | <b>352,693,512</b>                        | <b>36.00</b>                     | <b>-</b>                                         | <b>352,693,512</b>                  | <b>35.87</b>                     | <b>-</b>                                         | <b>0.13</b>                               |

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

| Sl. No. | Shareholder's Name                                         | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                                            | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the Company |
| 1       | Mahindra & Mahindra Limited                                |                                           |                                  |                                         |                                  |
|         | Beginning of the Year                                      | 256,248,704                               | 26.16                            |                                         |                                  |
|         | At the end of the Year                                     | -                                         | -                                | 256,248,704                             | 26.06 <sup>#</sup>               |
| 2       | TML Benefit Trust<br>(Through Mr. Ulhas N. Yargop Trustee) |                                           |                                  |                                         |                                  |
|         | Beginning of the Year                                      | 96,000,000                                | 9.80                             |                                         |                                  |
|         | At the end of the Year                                     | -                                         | -                                | 96,000,000                              | 9.76 <sup>#</sup>                |
| 3       | Mahindra-BT Investment Company (Mauritius) Limited         |                                           |                                  |                                         |                                  |
|         | Beginning of the Year                                      | 242,904                                   | 0.02                             |                                         |                                  |
|         | At the end of the Year                                     | -                                         | -                                | 242,904                                 | 0.02                             |
| 4       | Mahindra Holdings Limited                                  |                                           |                                  |                                         |                                  |
|         | Beginning of the Year                                      | 201,904                                   | 0.02                             |                                         |                                  |
|         | At the end of the Year                                     | -                                         | -                                | 201,904                                 | 0.02                             |

<sup>#</sup> 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)

| Sr No. | Particulars                                                                                   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding at the end of the year |                                  |
|--------|-----------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|------------------------------------------------|----------------------------------|
|        |                                                                                               | No. of shares held                        | % of total shares of the Company | No. of shares held                             | % of total shares of the Company |
| 1      | FIRST STATE INVESTMENTS ICVC- STEWART INVESTORS ASIA PACIFIC LEADERS FUND                     |                                           |                                  |                                                |                                  |
|        | Beginning of the Year                                                                         | 47,829,519                                | 4.88                             |                                                |                                  |
|        | At the end of the Year                                                                        |                                           |                                  | 40,497,091                                     | 4.12                             |
| 2      | ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE FRONTLINE EQUITY FUND |                                           |                                  |                                                |                                  |
|        | Beginning of the Year                                                                         | 13,229,768                                | 1.35                             |                                                |                                  |
|        | At the end of the Year                                                                        |                                           |                                  | 17,161,814                                     | 1.75                             |
| 3      | ICICI PRUDENTIAL BALANCED ADVANTAGE FUND                                                      |                                           |                                  |                                                |                                  |
|        | Beginning of the Year                                                                         | 15,862,976                                | 1.62                             |                                                |                                  |
|        | At the end of the Year                                                                        |                                           |                                  | 16,689,965                                     | 1.70                             |
| 4      | GOVERNMENT PENSION FUND GLOBAL                                                                |                                           |                                  |                                                |                                  |
|        | Beginning of the Year                                                                         | 13,680,801                                | 1.40                             |                                                |                                  |
|        | At the end of the Year                                                                        |                                           |                                  | 14,502,171                                     | 1.47                             |
| 5      | LIFE INSURANCE CORPORATION OF INDIA P & GS FUND                                               |                                           |                                  |                                                |                                  |
|        | Beginning of the Year                                                                         | 36,900,339                                | 3.77                             |                                                |                                  |
|        | At the end of the Year                                                                        |                                           |                                  | 12,897,640                                     | 1.31                             |

| Sr No. | Particulars                                   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding at the end of the year |                                  |
|--------|-----------------------------------------------|-------------------------------------------|----------------------------------|------------------------------------------------|----------------------------------|
|        |                                               | No. of shares held                        | % of total shares of the Company | No. of shares held                             | % of total shares of the Company |
| 6      | GOVERNMENT OF SINGAPORE                       |                                           |                                  |                                                |                                  |
|        | Beginning of the Year                         | 6,279,296                                 | 0.64                             |                                                |                                  |
|        | At the end of the Year                        |                                           |                                  | 10,921,057                                     | 1.11                             |
| 7      | UTI-MASTERSHARE UNIT SCHEME                   |                                           |                                  |                                                |                                  |
|        | Beginning of the Year                         | 10,706,672                                | 1.09                             |                                                |                                  |
|        | At the end of the Year                        |                                           |                                  | 8,917,512                                      | 0.91                             |
| 8      | SBI-ETF NIFTY 50                              |                                           |                                  |                                                |                                  |
|        | Beginning of the Year                         | 8,643,956                                 | 0.88                             |                                                |                                  |
|        | At the end of the Year                        |                                           |                                  | 8,881,261                                      | 0.90                             |
| 9      | ABU DHABI INVESTMENT AUTHORITY - BEHAVE       |                                           |                                  |                                                |                                  |
|        | Beginning of the Year                         | 7,396,305                                 | 0.75                             |                                                |                                  |
|        | At the end of the Year                        |                                           |                                  | 8,488,545                                      | 0.86                             |
| 10     | VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND |                                           |                                  |                                                |                                  |
|        | Beginning of the Year                         | 6,327,310                                 | 0.65                             |                                                |                                  |
|        | At the end of the Year                        |                                           |                                  | 7,740,723                                      | 0.79                             |

**Note:** The above information is provided based on the Beneficiary Position received from Depositories and Physical share register. The Week wise change in the holding position of the above shareholders is provided on the company's website at [www.techmahindra.com](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                                           |                                           |                                  |                                         |                                  |
|         | Beginning of the year                                       | 8,058,968                                 | 0.82                             |                                         |                                  |
|         | Sale on June 4, 2018                                        | 280,000                                   | 0.03                             | 7,778,968                               |                                  |
|         | Sale on June 5, 2018                                        | 72,649                                    | 0.01                             | 7,706,319                               |                                  |
|         | Sale on June 8, 2018                                        | 230,000                                   | 0.02                             | 7,476,319                               |                                  |
|         | Sale on June 11, 2018                                       | 17,351                                    | 0.00                             | 7,458,968                               |                                  |
|         | Sale on June 14, 2018                                       | 175,000                                   | 0.02                             | 7,283,968                               |                                  |
|         | Sale on November 7, 2018 (Off market gift to family member) | 600,000                                   | 0.06                             | 6,683,968                               |                                  |
|         | Acquisition on February 11, 2019 (ESOP)                     | 248,000                                   | 0.03                             | 6,931,968                               |                                  |
|         | At the end of the year                                      | -                                         | -                                | 6,931,968                               | 0.70                             |
| 2       | Mr. Vineet Nayar*                                           |                                           |                                  |                                         |                                  |
|         | Beginning of the year                                       | 1,150,000                                 | 0.12                             | 1,150,000                               |                                  |
|         | As at July 31, 2018                                         | -                                         | -                                | 1,150,000                               | 0.12                             |

| 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 |
| 3       | Mr. Anand G. Mahindra                  |                                           |                                  |                                         |                                  |
|         | <b>Beginning of the year</b>           | <b>188,552</b>                            | <b>0.02</b>                      |                                         |                                  |
|         | <b>At the end of the year</b>          | -                                         | -                                | <b>188,552</b>                          | <b>0.02</b>                      |
| 4       | Mr. Ulhas N. Yargop                    |                                           |                                  |                                         |                                  |
|         | <b>Beginning of the year</b>           | <b>243,040</b>                            | <b>0.02</b>                      |                                         |                                  |
|         | Sale on August 31, 2018                | 91,520                                    | 0.01                             | 151,520                                 |                                  |
|         | <b>At the end of the year</b>          | -                                         | -                                | <b>151,520</b>                          | <b>0.02</b>                      |
| 5       | Mr. M. Damodaran                       |                                           |                                  |                                         |                                  |
|         | <b>Beginning of the year</b>           | <b>100,000</b>                            | <b>0.01</b>                      |                                         |                                  |
|         | Sale on May 31, 2018                   | 1,000                                     | 0.00                             | 99,000                                  |                                  |
|         | Sale on June 1, 2018                   | 9,000                                     | 0.00                             | 90,000                                  |                                  |
|         | Sale on August 21, 2018                | 10,000                                    | 0.00                             | 80,000                                  |                                  |
|         | Sale on August 24, 2018                | 4,850                                     | 0.00                             | 75,150                                  |                                  |
|         | <b>At the end of the year</b>          | -                                         | -                                | <b>75150</b>                            | <b>0.01</b>                      |
| 6       | Mr. Ravindra Kulkarni                  |                                           |                                  |                                         |                                  |
|         | <b>Beginning of the year</b>           | <b>64,448</b>                             | <b>0.01</b>                      |                                         |                                  |
|         | Sale on September 26, 2018             | 300                                       | 0.00                             | 64,148                                  |                                  |
|         | <b>At the end of the year</b>          | -                                         | -                                | <b>64,148</b>                           | <b>0.01</b>                      |
| 7       | Mr. T. N Manoharan                     |                                           |                                  |                                         |                                  |
|         | <b>Beginning of the year</b>           | <b>60,000</b>                             | <b>0.01</b>                      |                                         |                                  |
|         | Sale on August 27, 2018                | 30,000                                    | -0.00                            | 30,000                                  |                                  |
|         | <b>At the end of the year</b>          | -                                         | -                                | <b>30,000</b>                           | <b>0.00</b>                      |
| 8       | Mrs. M Rajyalakshmi Rao                |                                           |                                  |                                         |                                  |
|         | <b>Beginning of the year</b>           | -                                         | -                                |                                         |                                  |
|         | Acquisition on October 15, 2018 (ESOP) | 60,000                                    | 0.01                             |                                         |                                  |
|         | Sale on December 27, 2018              | 9,742                                     | -0.00                            | 50,258                                  |                                  |
|         | Sale on December 28, 2018              | 5,258                                     | -0.00                            | 45,000                                  |                                  |
|         | Sale on February 8, 2019               | 6,000                                     | -0.00                            | 39,000                                  |                                  |
|         | Sale on February 11, 2019              | 3,301                                     | -0.00                            | 35,699                                  |                                  |
|         | Sale on February 13, 2019              | 1,699                                     | -0.00                            | 34,000                                  |                                  |
|         | Sale on February 14, 2019              | 1,000                                     | -0.00                            | 33,000                                  |                                  |
|         | Sale on March 22, 2019                 | 1,000                                     | -0.00                            | 32,000                                  |                                  |
|         | <b>At the end of the year</b>          | -                                         | -                                | <b>32,000</b>                           | <b>0.00</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 |
|                                                                                                                                    | <b>Key Managerial Personnel:</b>        |                                           |                                  |                                         |                                  |
| 1                                                                                                                                  | Mr. Anil Khatri                         |                                           |                                  |                                         |                                  |
|                                                                                                                                    | <b>Beginning of the year</b>            | 4,000                                     | 0.00                             |                                         |                                  |
|                                                                                                                                    | Sale on June 11, 2018                   | 600                                       | 0.00                             | 3,400                                   |                                  |
|                                                                                                                                    | Acquisition on June 11, 2018 (ESOP)     | 1,900                                     | 0.00                             | 5,300                                   |                                  |
|                                                                                                                                    | Sale on June 27, 2018                   | 900                                       | 0.00                             | 4,400                                   |                                  |
|                                                                                                                                    | Acquisition on July 13, 2018 (ESOP)     | 850                                       | 0.00                             | 5,250                                   |                                  |
|                                                                                                                                    | Acquisition on July 24, 2018 (ESOP)     | 550                                       | 0.00                             | 5,800                                   |                                  |
|                                                                                                                                    | Sale on August 31, 2018                 | 2,600                                     | 0.00                             | 3,200                                   |                                  |
|                                                                                                                                    | Sale on September 24, 2018              | 200                                       | 0.00                             | 3,000                                   |                                  |
|                                                                                                                                    | Acquisition on October 9, 2018 (ESOP)   | 1,100                                     | 0.00                             | 4,100                                   |                                  |
|                                                                                                                                    | Sale on February 2, 2019                | 2,100                                     | 0.00                             | 2,000                                   |                                  |
|                                                                                                                                    | Acquisition on February 20, 2019 (ESOP) | 3,000                                     | 0.00                             | 5,000                                   |                                  |
|                                                                                                                                    | <b>At the end of the year</b>           | -                                         | -                                | <b>5,000</b>                            | <b>0.00</b>                      |
| 2                                                                                                                                  | Mr. Milind Kulkarni**                   |                                           |                                  |                                         |                                  |
|                                                                                                                                    | <b>Beginning of the year</b>            | 7,400                                     | 0.00                             | 7,400                                   |                                  |
|                                                                                                                                    | <b>As at May 31, 2018</b>               | -                                         | -                                | <b>7,400</b>                            | <b>0.00</b>                      |
| 3                                                                                                                                  | Mr. Manoj Bhat***                       |                                           |                                  |                                         |                                  |
|                                                                                                                                    | <b>Beginning of the year</b>            | 46,204                                    | 0.00                             |                                         |                                  |
|                                                                                                                                    | <b>At the end of the year</b>           | -                                         | -                                | <b>46,204</b>                           | <b>0.00</b>                      |
| <b>Note:</b> Mr. Anupam Puri and Mr. V. S. Parthasarathy did not hold any shares in the Company during the financial year 2018-19. |                                         |                                           |                                  |                                         |                                  |
| * Mr. Vineet Nayyar retired as Director w.e.f. July 31, 2018.                                                                      |                                         |                                           |                                  |                                         |                                  |
| ** Mr. Milind Kulkarni retired as CFO on May 31, 2018.                                                                             |                                         |                                           |                                  |                                         |                                  |
| *** Mr. Manoj Bhat, appointed as CFO w.e.f. June 1, 2018.                                                                          |                                         |                                           |                                  |                                         |                                  |

**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                                        | 2,548                            | -               | -        | 2,548              |
| ii) Interest accrued but not due                           | -                                | -               | -        | -                  |
| iii) Interest accrued and due                              | 32                               | -               | -        | 32                 |
| <b>Total (i+ii+iii)</b>                                    | <b>2,580</b>                     | <b>-</b>        | <b>-</b> | <b>2,580</b>       |
| <b>Changes in indebtedness during the financial year</b>   |                                  |                 |          |                    |
| Additions                                                  | 271                              | -               | -        | 271                |
| Deletions                                                  | (2,724)                          | -               | -        | (2,724)            |
| Net change                                                 | (2,453)                          | -               | -        | (2,453)            |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                 |          |                    |
| i) Principal Amount                                        | 126                              | -               | -        | 126                |
| ii) Interest accrued but not due                           | -                                | -               | -        | -                  |
| iii) Interest accrued and due                              | 1                                | -               | -        | 1                  |
| <b>Total (i+ii+iii)</b>                                    | <b>127</b>                       | <b>-</b>        | <b>-</b> | <b>127</b>         |

## VII. 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                    |
|---------|------------------------------------------------------------------------------------|--------------------------------------------|
|         |                                                                                    | Mr. C.P. Gurnani (Managing Director & CEO) |
| 1       | Gross Salary                                                                       |                                            |
|         | (a) Salary as per provisions contained in section 17(1) of the Income tax Act 1961 | 27.81                                      |
|         | (b) Value of perquisite u/s 17(2) of the Income tax Act 1961                       | 1.11                                       |
|         | (c) Profits in lieu of Salary u/s 17(3) of the Income tax Act 1961                 | -                                          |
| 2       | Stock Option                                                                       | 178.78*                                    |
| 3       | Sweat Equity                                                                       | -                                          |
| 4       | Commission<br>As % of profit<br>Others Specify                                     | 15.91<br>-<br>-                            |
| 5       | Others, please specify                                                             | -                                          |
|         | <b>Total (A)</b>                                                                   | <b>223.61</b>                              |
|         | Ceiling as per the Act (5% of the Net Profit)                                      | 2,610.35                                   |
|         | Company contribution to PF not added in above information                          | 1.38                                       |

(\*) Amount indicates perquisite value of ESOP exercised during the year.

### B. Remuneration to other directors

(₹ in Million)

| Sr. No. | Particulars of Remuneration                  | Name of Directors    |                     |                         |                          |                     | Total Amount  |
|---------|----------------------------------------------|----------------------|---------------------|-------------------------|--------------------------|---------------------|---------------|
|         |                                              | Mr. Anupam Puri      | Mr. M. Damodaran    | Mr. Ravindra Kulkarni   | Mrs. M. Rajyalakshmi Rao | Mr. T. N. Manoharan |               |
| 1       | <b>Independent Directors</b>                 |                      |                     |                         |                          |                     |               |
|         | • Fee for attending board committee meetings | N.A                  | N.A.                | N.A.                    | N.A.                     | N.A.                |               |
|         | • Commission                                 | 8.51                 | 7.26                | 7.61                    | 6.22                     | 7.82                | 37.42         |
|         | • Others- (Stock Options)                    | -                    | -                   | -                       | 44.44*                   | -                   | 44.44         |
|         | <b>Total (1)</b>                             | <b>8.51</b>          | <b>7.26</b>         | <b>7.61</b>             | <b>50.66</b>             | <b>7.82</b>         | <b>81.86</b>  |
|         |                                              | Mr. Anand Mahindra   | Mr. Ulhas N. Yargop | Mr. V. S. Parthasarathy | Mr. Vineet Nayyar        |                     |               |
| 2       | <b>Other Non-Executive Directors</b>         |                      |                     |                         |                          |                     |               |
|         | • Fee for attending board committee meetings | N.A                  | N.A.                | N.A.                    | N.A.                     |                     | N.A           |
|         | • Commission                                 | N.A                  | 7.95                | 6.57                    | 13.33                    |                     | 27.85         |
|         | • Others – (Stock Options)                   | N.A                  | N.A                 | N.A                     | N.A                      |                     | -             |
|         | <b>Total (2)</b>                             | -                    | <b>7.95</b>         | <b>6.57</b>             | <b>13.33</b>             |                     | <b>27.85</b>  |
|         | <b>Total (B)= (1+2)</b>                      |                      |                     |                         |                          |                     | <b>109.71</b> |
|         | <b>Total Managerial Remuneration (A+B)</b>   |                      |                     |                         |                          |                     | <b>333.32</b> |
|         | Overall Ceiling as per the Act               | 6% of the Net Profit |                     |                         |                          |                     | 3,132.42      |

(\*) Amount indicates perquisite value of ESOP exercised during the year.

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

(₹ in Million)

| Sr. No | Particulars of Remuneration                                                        | Key Managerial Personnel                                                         |                                                                             |                                        | Total Amount |
|--------|------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------------------------------------|--------------|
|        |                                                                                    | Mr. Milind Kulkarni<br>(Chief Financial Officer upto 31 <sup>st</sup> May, 2018) | Mr. Manoj Bhat<br>(Chief Financial Officer from 1 <sup>st</sup> June, 2018) | Mr. Anil Khatri<br>(Company Secretary) |              |
| 1      | Gross Salary                                                                       |                                                                                  |                                                                             |                                        |              |
|        | (a) Salary as per provisions contained in section 17(1) of the Income tax Act 1961 | 5.22                                                                             | 9.35                                                                        | 3.89                                   | 18.46        |
|        | (b) Value of perquisite u/s 17(2) of the Income tax Act 1961                       | 0.04                                                                             | 0.005                                                                       | -                                      | 0.045        |
|        | (c) Profits in lieu of Salary u/s 17(3) of the Income tax Act 1961                 | -                                                                                | -                                                                           | -                                      | -            |
| 2      | Stock Option*                                                                      | 9.68                                                                             | -                                                                           | 3.10                                   | 12.78        |
| 3      | Sweat Equity                                                                       | -                                                                                | -                                                                           | -                                      | -            |
| 4      | Commission<br>As % of profit<br>Others Specify                                     | -                                                                                | -                                                                           | -                                      | -            |
| 5      | Others, please specify                                                             | -                                                                                | -                                                                           | -                                      | -            |
|        | <b>Total (A)</b>                                                                   | <b>14.94</b>                                                                     | <b>9.36</b>                                                                 | <b>6.99</b>                            | <b>31.29</b> |
|        | Ceiling as per the Act                                                             | -                                                                                | -                                                                           | -                                      | -            |
| 6      | Company contribution to PF not added in above information                          | 0.34                                                                             | 0.25                                                                        | 0.10                                   | 0.69         |
| 7      | Company Contribution to superannuation not added in above information              | 0.15                                                                             | 0.15                                                                        | 0.09                                   | 0.39         |

(\*) Amount indicates perquisite value of ESOP exercised during the year.

**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 March 31, 2019.

For and on behalf of the Board

Place: Mumbai  
Date: May 21, 2019

Anand G. Mahindra  
Chairman  
(DIN: 00004695)

## ANNEXURE VII

### 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) RULE 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 :

| Sr. No. | Name of the Director/KMP  | Designation                                                  | Ratio of Remuneration of each Director to Median Remuneration of Employees | Percentage increase in Remuneration during FY 2018-19 |
|---------|---------------------------|--------------------------------------------------------------|----------------------------------------------------------------------------|-------------------------------------------------------|
| 1       | Mr. Anand G. Mahindra     | Chairman                                                     | NA                                                                         | 0%                                                    |
| 2       | Mr. Anupam Puri           | Independent Director                                         | 20.61                                                                      | 9%                                                    |
| 3       | Mr. M. Damodaran          | Independent Director                                         | 17.58                                                                      | 15%                                                   |
| 4       | Mrs. M. Rajyalakshmi Rao* | Independent Director                                         | 122.66                                                                     | 814%                                                  |
| 5       | Mr. Ravindra Kulkarni#    | Independent Director                                         | 18.43                                                                      | (49%)                                                 |
| 6       | Mr. T. N. Manoharan#      | Independent Director                                         | 18.93                                                                      | (49%)                                                 |
| 7       | Mr. Ulhas N. Yargop       | Non Executive Director                                       | 19.25                                                                      | 11%                                                   |
| 8       | Mr. V. S. Parthasarathy   | Non Executive Director                                       | 15.91                                                                      | 12%                                                   |
| 9       | Mr. Vineet Nayyar         | Vice Chairman<br>(upto 31 <sup>st</sup> July, 2018)          | 32.28                                                                      | (97%)                                                 |
| 10      | Mr. C.P. Gurnani#         | Managing Director & Chief Executive Officer                  | 541.43                                                                     | (85%)                                                 |
| 11      | Mr. Milind Kulkarni       | Chief Financial Officer<br>(upto 31 <sup>st</sup> May, 2018) |                                                                            | 17%                                                   |
| 12      | Mr. Manoj Bhat            | Chief Financial Officer<br>(from 1 <sup>st</sup> June, 2018) |                                                                            | NA                                                    |
| 13      | Mr. Anil Khatri           | Company Secretary & Compliance Officer                       |                                                                            | 78%                                                   |

\* Due to inclusion of perquisite value of Stock Options granted in November 2013, exercised during the current financial year.

# The previous year remuneration included perquisite value of the accumulated stock options .

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

| Sr. No. | Name of the Director/KMP | Designation                                 | Ratio of Remuneration of each Director to Median Remuneration of Employees | Percentage increase in Remuneration during FY 2018-19 |
|---------|--------------------------|---------------------------------------------|----------------------------------------------------------------------------|-------------------------------------------------------|
| 1       | Mrs. M. Rajyalakshmi Rao | Independent Director                        | 15.06                                                                      | 12%                                                   |
| 2       | Mr. C. P. Gurnani        | Managing Director & Chief Executive Officer | 108.55                                                                     | 16%                                                   |
| 3       | Mr. Anil Khatri          | Company Secretary & Compliance Officer      |                                                                            | 18%                                                   |

|    |                                                                                     |                 |
|----|-------------------------------------------------------------------------------------|-----------------|
| 3) | The median remuneration of employees of the company during the financial year was:  | ₹ 0.413 Million |
| 4) | Percentage increase in the median remuneration of employees in the financial year : | (11%)           |
| 5) | Number of permanent employees on the rolls of company as at March 31, 2019 :        | 87,080          |

|                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6) 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: | An increase of 2.20% was given to the employees during the year under review. There was a decrease of 83% in the remuneration of Managerial Personnel and the decrease was mainly on account of exercise of accumulated stock options granted in earlier years.                                                                            |
| 7) 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.<br><br>Non-Executive Directors - Parameters such as responsibilities undertaken, Membership or Chairmanship of the Committees, time spent in carrying out of duties etc. |
| 8) Affirmation that the remuneration is as per the remuneration policy of the company:                                                                                                                                                                                                                                                                 | Yes                                                                                                                                                                                                                                                                                                                                        |

For and on behalf of the Board

Place: Mumbai  
Date: May 21, 2019

Anand G. Mahindra  
Chairman  
(DIN: 00004695)

## ANNEXURE VIII

**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 FOURTH PROVISIO THERE TO**

| Details of contracts or agreements 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 | Justification for transaction | Date(s) of approval by the Board | Amount paid as advance | Date of special resolution |
| 1                                                                             | NIL                          | N.A.                  |                              |                                      |                    |                               |                                  |                        |                            |

| Details of material contracts or agreements or transactions at arm's length basis: |                                |                        |                                                  |                              |                                  |                     |                                                                                                                                                                                                                             |                        |  |
|------------------------------------------------------------------------------------|--------------------------------|------------------------|--------------------------------------------------|------------------------------|----------------------------------|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--|
| Sr. No.                                                                            | Name(s) of the related party   | Nature of Relationship | Nature of Transaction                            | Duration of the Transactions | Transactions Value (INR Million) | % to consol revenue | Date(s) of approval by the Board, if any                                                                                                                                                                                    | Amount paid as advance |  |
| 1                                                                                  | Tech Mahindra (Americas), Inc. | Subsidiary             | Revenue                                          | April 2018-March 2019        | 11,512                           | 3%                  | Since these RPTs are in the ordinary course of business and are at the arm's length basis, approval of the Board is not applicable. However, these are reported to the Audit Committee / Board at their quarterly meetings. | N.A.                   |  |
|                                                                                    |                                |                        | Sub-contracting Expenses                         |                              | 67,091                           | 19%                 |                                                                                                                                                                                                                             |                        |  |
|                                                                                    |                                |                        | Reimbursement of Expenses (Net)- Paid/ (Receipt) |                              | (376)                            | 0%                  |                                                                                                                                                                                                                             |                        |  |
|                                                                                    |                                |                        | Dividend Income                                  |                              | -                                | 0%                  |                                                                                                                                                                                                                             |                        |  |

For and on behalf of the Board

Place: Mumbai  
Date: May 21, 2019

Anand G. Mahindra  
Chairman  
(DIN: 00004695)

## ANNEXURE IX

**PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER COMPANIES (ACCOUNTS) RULES, 2014**

**A) CONSERVATION OF ENERGY**

Tech Mahindra uses electrical energy for their equipment such as air conditioners, computer terminals, lights and other utilities at work places. As an on-going process, we continued to undertake the following measures to conserve energy and environment:

1. Energy emission intensity reduced by 19% per associate per annum in 2018-19 when compared to last year through effective operational controls, renewable energy sourcing and close monitoring of utilization.
2. Generated and purchased Solar power of more than 23,729,084 kWh (including savings from Solar Water heaters) that led to the reduction of more than 19457 MTCO2 GHG emissions.
3. Commitment towards low emission technology and plans to achieve SBT targets resulted in the increase of Renewable energy from 2.8% to 15.2%.
4. Installation of 28000+ LEDs, 6100+ occupancy sensors and efficient VRV and HVAC equipment at various locations to conserve energy and reduce GHG emissions.
5. Conducted Energy simulation and use of automatic sensors integrated with lighting and aircon units.
6. Teleconferencing and Video Conferencing Systems installed to enable virtual meetings and reduce Business travel.
7. Conservation of energy through data centre consolidation, server virtualization and use of modular energy efficient equipment for data Centre designs. Natural and adiabatic cooling methods used to increase Energy efficiency.

**B) TECHNOLOGY ABSORPTION**

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

Towards accelerating the Digital Transformation programs for our customers, our company has mapped the full spectrum of technologies that enable Digital transformation and built best-in-class competencies to help our clients become future-ready and future-proof digital enterprises. Accordingly, we have aligned our go-to-market offerings against **six business led themes** as below, that addresses every enterprise functions to *Run-better, Change-faster* and *Grow-greater* (RCG)

**Strategy & Design:** Guide organizations through uncertainties of the digital age by defining the right digital strategy aligned with core business strategy. Design right experiences for internal and external stakeholders.

**Digital Customer:** Redefine connected experience across the customer lifecycle with an interplay of digital strategy across sales, service and marketing, enabled by process orchestration and powered by user experience.

**Intelligent Operations:** Realign end-to-end business operations to deliver desired customer experiences through integrated, connected, and intelligent ecosystems.

**Future Enterprise & Innovation:** Envision a disruptive future by leveraging emerging technologies to exploit open opportunities, incubate disruptive business models and deliver experiences to "tomorrow's customers".

**Digital Insights:** Foster data-driven decision making by harnessing the power of data, analytics and cognitive technologies to derive actionable and impactful insights.

**Digital Foundation:** Lay a robust, secure, and future-proof foundation for your digital enterprise by adopting cutting-edge technology frameworks and software delivery methodologies.

To further strengthen these business led themes, we continue to invest into those evolving technology competencies like Block chain, 5G, AI/Automation, Cyber Security, New age Delivery and our flag-ship Innovation powerhouse called Makers Labs.

**BLOCKCHAIN**

We have architected and implemented a comprehensive strategy to position ourselves as the world's leading Blockchain company. As part of this strategy, we have identified and is working on a holistic framework called 'Block Ecosystem' that consists of various levers; Block Studio, Block Engage, Block Talks, Block Geeks, Block Accelerate, Block Access & Block Value, which create industry leading applications that are architected on innovation and human excellence to unlock significant value for all stakeholders. These strategy levers have not only enabled us to promote Blockchain adoption by clients but also successfully deploy several cutting-edge solutions across our client's businesses during the last 12 months.

In response to TRAI guidelines, mandating Telcos to adopt Blockchain technology to combat Unsolicited Commercial Calls (UCC), we have successfully deployed a cutting-edge solution for one of the leading Telcos in India to protect their 300 Mn+ mobile subscribers. This is the largest commercial deployment in the world till date.

**5G**

Considering the fact that 5G networks will be powered more by software, than hardware, we have invested in AltioStar earlier and further acquired K-vision, a Japan-based network solutions firm to help CSPs transition from 4G to 5G. Additionally, we acquired the assets of 'Nuovo Solutions' (a leading video integration & engineering provider) and Dynacommerce

(end-to-end omni-channel solutions provider simplifying digital transformation for enterprises). These will accelerate the 5G enablement across Enterprises. 5G labs instituted globally to promote co-innovation with our customers and industry bodies. We continue to expand our partner eco-system around 5G and the focus on open-source technologies. To combat with several challenges brought in by 5G, we recently launched 'netOps.ai' to accelerate 5G Adoption for Communication Service Providers. It is a Network Automation and Managed Services Framework, geared to accelerate 5G Network adoption by automating all the key network life cycle stages.

## AI & AUTOMATION

Artificial Intelligence is enabling every industry with insights and knowledge centric automation and transformation. We continue to adopt and invest into our Intelligent Automation Platform AQT, which integrates best of the breed Partner products/solutions and in-house platforms. Co-creation and open-source continue to be the focus. Towards this, we released our AI/ML Platform GAiA, which provides an accelerated and industrialised approach to adoption of Machine Learning in Enterprises. We have instituted several re-skilling programs like BOTIFY and AQT Proficiency Framework that provides a structured reskilling plan for our associates and we have 2300+ Certified associates in the AI/Automation technologies.

## NEW AGE DELIVERY

Catering to the needs of the new age, ever-demanding customer is one of the biggest challenges for technology service providers, and constantly, the question of how to fill these gaps to deliver a new age experience arises. Our AI-based #NewAgeDELIVERY engine enables customers to envision a new paradigm of technology solution delivery. This paradigm utilizes reusable data asset lakes to avoid work duplication, delivers value at scale, and uses the time saved towards innovation. #NewAgeDELIVERY gamifies productivity and provides plug & play cloud services. This new age of tech delivery allows for continuous innovation, path-breaking solutions and enables an IP multiplier to the entire eco-system, including customers, associates, partners and academia. The engine has been built on 6 key platforms seamlessly collaborating together to generate innovative, lightning fast delivery. With #NewAgeDELIVERY, Tech Mahindra has embarked on a journey to revolutionize the way technology solutions are envisioned, developed and delivered. The engine is live with more than 60 capability & upskilling partners on board, close to 200 reusable portfolios available and 60+ programmes already using the engine to deliver.

## MAKERS LABS

Makers Labs are our R&D centres focused on applied Innovation, in collaboration with our

customers, partners, start-ups, academia and associates. During this year, we expanded these labs globally and added locations like Dallas, London, Munich and Tokyo in collaboration with customers and academia, which takes them to a total of 8 such Makers labs. Technology focus areas in these labs include AI, Machine Learning, Mixed Reality, Blockchain, Quantum Computing and so on and work on use-cases those are relevant to solve enterprise problems. One of our recent achievements include Quintessence Labs, Makers Lab and BT developing an End-to-End Video Messaging Solution Secured by Quantum Key Distribution (QKD). In our endeavour to embed the academia in our efforts, Maker's lab collaborated and signed MOUs with Symbiosis Institute of Technology, Pune, Royal Melbourne Institute of Technology, Melbourne, Australia to name a few.

## CYBER SECURITY

While enterprises are embracing Digital transformations and public clouds towards bringing increased mobility and flexibility, cyber-attacks are on the rise endangering the enterprises and mission critical infrastructure. In an effort to scale our capabilities, we have partnered with Israeli Aerospace Industries (IAI), Silicon Valley incubated start-ups and Tier 1 OEMs to build platforms and offerings as Managed Services to enterprises by safeguarding capital expenditures. We have built multiple Platforms-as-a-Service to address Data Privacy and Protection acts of various countries, Industry 4.0 for Operational technology, Advanced Threat Management by building intelligent SOC (iSOC) for enterprises, 4G/5G and IoT Mobile threat management as a Service, Cloud security as a Service and Digital identities as a Service. We are leveraging the power of AI/ML, Deep Learning and Big Data in our portfolio of offerings. In partnership with IIT Kanpur and IAI, we have established a Centre of Excellence (CoE) for advanced Cyber Security learning and training for our enterprises. Enterprise Security and Risk Management (ESRM) practice has 1200+ certified and trained professionals deployed across the globe. In collaboration with various Engineering colleges, we are enabling a large pool of Cyber Security ready professionals to augment the growing need of the industry.

- (iii) The expenditure incurred on research and development - ₹ 311 Million

## C) FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in Million)

|                              |         |
|------------------------------|---------|
| 1. Foreign Exchange Earnings | 254,958 |
| 2. Foreign Exchange Outgo    | 150,218 |

For and on behalf of the Board

Anand G. Mahindra  
Chairman  
(DIN: 00004695)

Place: Mumbai  
Date: May 21, 2019

## ANNEXURE X

## ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2018-19

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.

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. 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> Promotes 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 eleven 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 |
| <b>Employability:</b> Projects support 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 to gap between the skilling sector and the industry requirement by bringing in renowned industry from the service, technical and manufacturing sector as knowledge partners.                                                                                                                                                                                                                                                                                                                                                                               |                                                       |
| A placement 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    |
| <b>Public Health:</b> The Foundation has supported a project called 'Last Mile Connect' as part of which a Public Cycle intervention in Delhi is supported on an end-to-end basis. In addition, the Foundation has also supported the infrastructure development of a Nursing College at Banasthali University in Rajasthan and another project in which affordable Dialysis care is being provided to patients. Finally, the Foundation has supported the cause of people with disabilities by contributing to one of the foremost prosthetic limb manufacturing organisations in India. |                                                       |
| <b>Mahindra Educational Institutions:</b> 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.                                                                                                                                                                                                                                                                                                                          |                                                       |
| <b>Technical Education:</b> MEI has established a premier Engineering Institute viz., Mahindra École College (MEC) in collaboration with École, France. The MEC project provided high quality technical education in engineering and computer technology for the students.                                                                                                                                                                                                                                                                                                                |                                                       |
| MEC is an international quality technology school with assured career progression for engineering aspirants. It focuses on multi-disciplinary knowledge, personality development, and critical-creative thinking. MEC College of Engineering, heralds the Rise of the New Engineer in India.                                                                                                                                                                                                                                                                                              |                                                       |

A copy of Tech Mahindra's **CSR Vision and Policy Document** is available online at:

[https://www.techmahindra.com/sites/ResourceCenter/Brochures/Society/CSR\\_Policy.pdf](https://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. C. P. Gurnani, Chairman

Mrs. M. Rajyalakshmi Rao, Member

Mr. Ulhas N. Yargop, Member

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

FY 2015-16 : ₹ 3,876.3 Crores

FY 2016-17 : ₹ 3,878.7 Crores

FY 2017-18 : ₹ 4,906.5 Crores

The average net profit before tax : ₹ 4,220.50 Crores

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

₹ 84.41 Crores (i.e. 2% of ₹ 4,220.50 Crores)

(Two per cent of the average profit before tax of the immediately preceding three years)

## 5. Details of CSR spent during the financial year

(a) Total amount to be spent for the financial year 2018-19: ₹ 84.41 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)                                                                                                                                             |
|-----|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| #   | CSR Project or activity identified | Sector in which the project is covered                                                                                                                                                                                    | Projects or programs:<br>(1) Local area or other<br>(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<br>Sub-heads:<br>(1) Direct expenditure on projects or programs<br>(2) Overheads | Cumulative expenditure up to the reporting period       | Amount spent Direct or through implementing agency                                                                                              |
|     |                                    |                                                                                                                                                                                                                           | Programme                                                                                                                                                                                                                                             | Budget (INR Cr)                                                                              | Spent (Unspent)                                                                                                           | Spent (Unspent) (INR Cr)                                |                                                                                                                                                 |
| 1   | Employability                      | Schedule VII, Item 2 (promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects) | - SMART<br>- SMART+<br>- SMART T<br>- SMART Academy<br>(2) Delhi, Chandigarh<br>Telangana, Andhra, Karnataka, Tamilnadu, West Bengal, Odisha, Maharashtra<br>- Programme Administration (like Communication, Volunteering, Training, Consultancy etc) | 19.14<br>2.97<br>5.85<br>10.95<br><b>38.91 (total)</b><br>5.36<br><b>44.27 (grand total)</b> | 17.48 (1.66)<br>2.55 (0.42)<br>5.28 (0.57)<br>9.70 (1.25)<br><br>6.23                                                     | <br><br><br><br><b>35.01</b><br><br><b>41.24 (3.03)</b> | 100% amount spent through implementing agencies, except for below projects:<br>(a) SMART Academy (Location: - Delhi, Chandigarh, Vizag, Mumbai) |

| (1)                                                                                                                                                                                                  | (2)                                | (3)                                    | (4)                                                                                                                              | (5)                                             | (6)                                                                                                                       | (7)                                               | (8)                                                                                                                                                      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| #                                                                                                                                                                                                    | CSR Project or activity identified | Sector in which the project is covered | Projects or programs:<br>(1) Local area or other<br>(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<br>Sub-heads:<br>(1) Direct expenditure on projects or programs<br>(2) Overheads | Cumulative expenditure up to the reporting period | Amount spent Direct or through implementing agency                                                                                                       |
|                                                                                                                                                                                                      |                                    |                                        | <b>Programme</b>                                                                                                                 | <b>Budget (INR Cr)</b>                          | <b>Spent (Unspent)</b>                                                                                                    | <b>Spent (Unspent) (INR Cr)</b>                   |                                                                                                                                                          |
| 2                                                                                                                                                                                                    | <b>School Education</b>            | Same as (1)                            | - ARISE                                                                                                                          | 6.07                                            | 5.69 (0.38)                                                                                                               |                                                   | 100% amount spent through implementing agencies, except for two projects:                                                                                |
|                                                                                                                                                                                                      |                                    |                                        | - ARISE+                                                                                                                         | 3.60                                            | 3.43 (0.17)                                                                                                               |                                                   |                                                                                                                                                          |
|                                                                                                                                                                                                      |                                    |                                        | - Shikshaantar                                                                                                                   | 6.43                                            | 5.95 (0.48)                                                                                                               |                                                   |                                                                                                                                                          |
|                                                                                                                                                                                                      |                                    |                                        | - Mobile Science Lab                                                                                                             | 0.65                                            | 0.52 (0.13)                                                                                                               |                                                   |                                                                                                                                                          |
|                                                                                                                                                                                                      |                                    |                                        | (2) Delhi, Telangana, Andhra, Karnataka, Tamilnadu, West Bengal, Odisha, Maharashtra                                             | <b>16.75 (total)</b>                            |                                                                                                                           | <b>15.59</b>                                      |                                                                                                                                                          |
|                                                                                                                                                                                                      |                                    |                                        | - Programme Administration (like Communication, Volunteering, Training, Consultancy etc.)                                        | 2.72                                            | 3.01                                                                                                                      | 3.01                                              | (a) Thane Municipal Corpn Special Project (Eng Trng)- Shikshaantar<br>(b) In-Service Teacher Education Institute- Shikshaantar<br>(C) Mobile Science Lab |
|                                                                                                                                                                                                      |                                    |                                        |                                                                                                                                  | <b>19.47 (grand total)</b>                      | Project/ programme expenses only. No overheads.                                                                           | <b>18.60 (0.87)</b>                               |                                                                                                                                                          |
| 3                                                                                                                                                                                                    | <b>Technical Education</b>         | Same as (1)                            | - Mahindra Ecole Centrale (MEC)                                                                                                  | 21.00                                           | 24.77 (0.00)                                                                                                              | 24.77 (0.00)                                      | 100% amount spent directly on programmes                                                                                                                 |
| 4                                                                                                                                                                                                    | <b>Health</b>                      | Same as (1)                            | - Health                                                                                                                         | 3.80                                            | 3.80 (0.0)                                                                                                                | 3.80 (0.0)                                        | 100% amount spent through implementing agencies,                                                                                                         |
|                                                                                                                                                                                                      |                                    |                                        | - Cycle Project                                                                                                                  | 0.79                                            | 0.74 (0.0)                                                                                                                | 0.74 (0.05)                                       |                                                                                                                                                          |
|                                                                                                                                                                                                      |                                    |                                        | - Nursing School                                                                                                                 | 1.00                                            | 1.00 (0.0)                                                                                                                | 1.00 (0.0)                                        |                                                                                                                                                          |
|                                                                                                                                                                                                      |                                    |                                        |                                                                                                                                  | <b>5.59 (grand total)</b>                       |                                                                                                                           | <b>5.54 (0.05)</b>                                |                                                                                                                                                          |
| 5                                                                                                                                                                                                    | <b>Education</b>                   | Same as (1)                            | <b>K.C.Mahindra Education Trust</b>                                                                                              | 0.20                                            | 0.21 (NA)                                                                                                                 | 0.21 (NA)                                         | 100% amount spent through K.C.Mahindra Education Trust                                                                                                   |
|                                                                                                                                                                                                      |                                    |                                        |                                                                                                                                  | <b>(INR Cr)</b>                                 | <b>Spent (Unspent)</b>                                                                                                    | <b>Spent (Unspent)</b>                            |                                                                                                                                                          |
| 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. |                                    |                                        |                                                                                                                                  | 69.53 (TMF)                                     | 65.38 (4.15)                                                                                                              | 65.38 (4.15)                                      |                                                                                                                                                          |
|                                                                                                                                                                                                      |                                    |                                        |                                                                                                                                  | 21.00 (MEI)                                     | 24.77 (0.00)                                                                                                              | 24.77 (0.00)                                      |                                                                                                                                                          |
|                                                                                                                                                                                                      |                                    |                                        |                                                                                                                                  |                                                 | 0.21 (NA)                                                                                                                 | 0.21 (NA)                                         |                                                                                                                                                          |
|                                                                                                                                                                                                      |                                    |                                        |                                                                                                                                  | <b>90.53 (total)</b>                            | <b>90.36</b>                                                                                                              | <b>90.36</b>                                      |                                                                                                                                                          |

**Note:**

- (1) The prescribed CSR expenditure at 2% of past three years average profit of Tech Mahindra for the financial year 2018-19 was ₹ 84.41 Crores (i.e. 2% of ₹ 4,220.50 Crores) including profits of foreign branches.
- (2) Tech Mahindra spent ₹ 90.36 Crores over the financial year, through three agencies – Tech Mahindra Foundation (TMF), Mahindra Educational Institutions (MEI) and K. C. Mahindra Education Trust – A/c Nanhi Kali.
- (3) Against the mandated spend of ₹ 84.41 Crores, Tech Mahindra spent ₹ 90.36 Crores which is more than the prescribed 2%.

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.

Mr. C. P. Gurnani  
Managing Director & CEO

Mr. C. P. Gurnani  
Chairman – CSR Committee

For and on behalf of the Board

Place: Mumbai  
Date: May 21, 2019

Anand G. Mahindra  
Chairman  
(DIN: 00004695)

## 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 fulfil 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, 3 Non-Executive Directors and 1 Executive Director. The Chairman is a Non-Executive Director.

During the year 2018-19, five meetings of the Board of Directors were held on May 25, 2018, July 30 & July 31, 2018, October 29 & October 30, 2018, February 5, 2019 and February 21, 2019.

- a) 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 and Directorship in other listed entities as on March 31, 2019 are given below:

| Sr. No. | Name                     | Category               | No. of Board meetings attended | Attendance at the AGM held on 31 <sup>st</sup> July, 2018 | Directorship in other Public Companies <sup>a</sup> | No. of Committee positions held in other Public Companies <sup>b</sup> |           | Directorship in other listed entities (Category of Directorship)                                                                                                                                                                                                             |
|---------|--------------------------|------------------------|--------------------------------|-----------------------------------------------------------|-----------------------------------------------------|------------------------------------------------------------------------|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                          |                        |                                |                                                           |                                                     | As Chairman                                                            | As Member |                                                                                                                                                                                                                                                                              |
| 1.      | Mr. Anand G. Mahindra    | Non-Executive Chairman | 4 <sup>c</sup>                 | Yes                                                       | 3                                                   | 0                                                                      | 1         | 1. Mahindra & Mahindra Limited (Promoter – Executive Chairman)                                                                                                                                                                                                               |
| 2.      | Mr. Anupam Puri          | Independent Director   | 4 <sup>c</sup>                 | Yes                                                       | 2                                                   | 0                                                                      | 0         | 1. Dr. Reddy's Laboratories Limited (Independent Director)<br>2. Mahindra and Mahindra Limited (Independent Director)                                                                                                                                                        |
| 3.      | Mr. C. P. Gurnani        | Managing Director      | 5                              | Yes                                                       | 1                                                   | 0                                                                      | 0         | –                                                                                                                                                                                                                                                                            |
| 4.      | Mr. M. Damodaran         | Independent Director   | 5 <sup>d</sup>                 | Yes                                                       | 6                                                   | 3                                                                      | 4         | 1. Hero MotoCorp Ltd. (Independent Director)<br>2. Larsen and Toubro Limited (Independent Director)<br>3. Crisil Limited (Independent Director)<br>4. Biocon Limited (Independent Director)<br>5. InterGlobe Aviation Limited (Independent Director & Chairman of the Board) |
| 5.      | Mrs. M. Rajyalakshmi Rao | Independent Director   | 5                              | Yes                                                       | 1                                                   | 0                                                                      | 0         | –                                                                                                                                                                                                                                                                            |
| 6.      | Mr. Ravindra Kulkarni    | Independent Director   | 5                              | Yes                                                       | 6                                                   | 2                                                                      | 5         | 1. Mahindra & Mahindra Limited (Independent Director)<br>2. Elantas Beck India Limited (Independent Director)<br>3. Entertainment Network (India) Limited (Independent Director)<br>4. Chowgule Steamships Limited (Independent Director)                                    |

| Sr. No. | Name                                 | Category                      | No. of Board meetings attended | Attendance at the AGM held on 31 <sup>st</sup> July, 2018 | Directorship in other Public Companies <sup>a</sup> | No. of Committee positions held in other Public Companies <sup>b</sup> |           | Directorship in other listed entities (Category of Directorship)                                                                                    |
|---------|--------------------------------------|-------------------------------|--------------------------------|-----------------------------------------------------------|-----------------------------------------------------|------------------------------------------------------------------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                                      |                               |                                |                                                           |                                                     | As Chairman                                                            | As Member |                                                                                                                                                     |
| 7.      | Mr. T. N. Manoharan                  | Independent Director          | 4 <sup>c</sup>                 | Yes                                                       | 2                                                   | 1                                                                      | 1         | 1. Canara Bank (Non-Executive Chairman)<br>2. Mahindra & Mahindra Limited (Independent Director)                                                    |
| 8.      | Mr. Ulhas N. Yargop                  | Non-Executive Director        | 5                              | Yes                                                       | 2                                                   | 0                                                                      | 1         | –                                                                                                                                                   |
| 9.      | Mr. V. S. Parthasarathy              | Non-Executive Director        | 5                              | Yes                                                       | 4                                                   | 1                                                                      | 3         | 1. Mahindra Holidays & Resorts India Limited (Non-Executive Director)<br>2. Mahindra & Mahindra Financial Services Limited (Non-Executive Director) |
| 10.     | Mr. Vineet Nayyar <sup>e&amp;f</sup> | Non-Executive - Vice Chairman | 2                              | Yes                                                       | 4                                                   | 0                                                                      | 0         | 1. The Great Eastern Shipping Company Limited (Independent Director)<br>2. Mahindra Holidays & Resorts India Limited (Non Executive Director)       |

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

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

<sup>c</sup> Additional one meeting attended through tele conference.

<sup>d</sup> Including one meeting attended through video conference.

<sup>e</sup> Retired as Director w.e.f. July 31, 2018

<sup>f</sup> Status upto July 31, 2018.

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

**b) 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, 2019 by the Non-Executive Directors are given below:

| Name of the Director     | No. of Equity Shares | No. of Stock Options |
|--------------------------|----------------------|----------------------|
| Mr. Anand G. Mahindra    | 1,88,552             | -                    |
| Mr. Anupam Puri          | -                    | 60,000*              |
| Mr. M. Damodaran         | 75,150               | -                    |
| Mrs. M. Rajyalakshmi Rao | 32,000               | -                    |
| Mr. Ravindra Kulkarni    | 64,148               | -                    |
| Mr. T. N. Manoharan      | 30,000               | -                    |
| Mr. Ulhas N. Yargop      | 1,51,520             | -                    |
| Mr. V. S. Parthasarathy  | -                    | -                    |

\*Options were granted on November 29, 2013

**c) The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:**

|                                   |                                                                                                                                                                                                               |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Global Business                   | Understanding, of diverse business environment, global dynamics across various geographical markets, industry verticals and regulatory jurisdictions.                                                         |
| Financial Management              | Financial management, capital allocation, resources utilization and assessing economic conditions.                                                                                                            |
| Strategy and Planning, Technology | Evaluate long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments. Anticipate technological trends, create new business models. |

|            |                                                                                                                                                                                                                                               |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Governance | Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values. |
| Leadership | Leadership experience for understanding the needs of the organization, risk management systems and succession planning for the organization.                                                                                                  |

**Independent Directors:**

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of Independence as mandated by Regulation 16 (1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and that they are independent of the management. 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 management team. During the year 2018-19 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) and can be accessed at the web-link: <https://www.techmahindra.com/sites/ResourceCenter/brochures/investors/corporategovernance/Familiarization-Programme-to-Independent-Directors.pdf>

**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 SEBI 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 statements are 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 24, 2018, July 30, 2018, October 29, 2018, and February 4, 2019 during the Financial Year 2018-19.

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

The Company Secretary acts as the Secretary to the Committee.

The Managing Director & CEO, Chief Financial Officer of the Company, the Statutory Auditors and the Internal Auditors are the invitees to the meetings of the Audit Committee. The Chief Internal Auditor reports to the Audit Committee Chairman.

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 31, 2018.

## 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 SEBI 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, Committees of Board and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- 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;
- Recommending whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Recommending to the board, remuneration payable to senior management.

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

There were four meetings held on May 25, 2018, July 30, 2018, October 30, 2018 and February 4, 2019 during the Financial Year 2018 -19.

| Name                  | Category                       | Number of Nomination & Remuneration Committee meetings attended |
|-----------------------|--------------------------------|-----------------------------------------------------------------|
| Mr. Ravindra Kulkarni | Chairman, Independent Director | 4                                                               |
| Mr. Anupam Puri       | Independent Director           | 4                                                               |
| Mr. Ulhas N. Yargop   | Non-Executive Director         | 4                                                               |

The Company Secretary acts as the Secretary to the Committee.

The Managing Director & CEO, Chief People Officer and Chief Financial Officer of the Company 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 Director includes fixed salary and variable compensation as commission as determined by the Nomination & Remuneration Committee based on performance of the Company and achieving of various parameters set out in the agreed annual goals.

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 2018 - 19.

**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 SEBI Listing Regulations. Mr. M. Damodaran, Independent Director is the Chairman of the Committee, Mr. C.P. Gurnani, Mr. Ravindra Kulkarni, Mr. Ulhas N. Yargop and Mr. V. S. Parthasarathy are the other members of the Committee. Mr. Vineet Nayyar post his retirement w.e.f. July 31, 2018 ceased to be a member of the SRC Committee. There were three meetings held on May 25, 2018, July 30, 2018 and February 4, 2019 during the Financial Year 2018 - 19.

| Name                    | Category                       | Number of Stakeholders Relationship Committee meetings attended |
|-------------------------|--------------------------------|-----------------------------------------------------------------|
| Mr. M. Damodaran        | Chairman, Independent Director | 3                                                               |
| Mr. Vineet Nayyar       | Non-Executive - Vice Chairman  | 2 <sup>1</sup>                                                  |
| Mr. C. P. Gurnani       | Managing Director & CEO        | 1 <sup>2</sup>                                                  |
| Mr. Ravindra Kulkarni   | Independent Director           | 3                                                               |
| Mr. Ulhas N. Yargop     | Non-Executive Director         | 3                                                               |
| Mr. V. S. Parthasarathy | Non-Executive Director         | 3                                                               |

<sup>1</sup> Retired as Director w.e.f. July 31, 2018.

<sup>2</sup> Appointed as member of Stakeholders Relationship Committee w.e.f. August 1, 2018.

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 redressing of the grievances of the shareholders of Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.;
- Monitor and review the performance and service standards of the Registrar and Share Transfer Agents ("RTA") of the Company and provide continuous guidance to improve the service levels for investors;
- Formulate policies and procedures in line with the statutory and regulatory requirements to ensure speedy disposal of various requests received from security holders/other stakeholders from time to time;
- Review Company's obligation towards meeting environment, health and safety obligations towards all stakeholders;
- Review the complaints/ queries received from other stakeholders' such as vendors, suppliers, service providers, customers etc.;
- Review reports on employee, vendor and customer satisfaction surveys;
- Consult other committees of the Board while discharging its responsibilities;
- Obtain professional advice and assistance from Company's external legal advisors and accountants and also internal resources;

- Oversee the Investor relations function in the Company and suggest appropriate means to strengthen Investor relations of the Company;
- Review measures taken for effective exercise of voting rights by shareholders;
- Review measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrant / annual reports and statutory notices by the shareholders of the Company.

The status of shareholder complaints received and resolved during the financial year 2018 -19 is as under:

| Pending Complaints as on April 1, 2018 | Complaints received during the year | Complaints disposed during the year | Complaints pending as on March 31, 2019 |
|----------------------------------------|-------------------------------------|-------------------------------------|-----------------------------------------|
| 0                                      | 19                                  | 18                                  | 1                                       |

**Name and Designation of the Compliance Officer:**

Anil Khatri, Company Secretary & 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. C. P. Gurnani, Managing Director & CEO is the Chairman of the Committee. Mrs. M. Rajyalakshmi Rao and Mr. Ulhas N. Yargop are the other members of the Committee. Mr. Vineet Nayyar who was Chairman of the Committee ceased to be Chairman and member of the CSR Committee post his retirement w.e.f. July 31, 2018. There were two meetings held on May 24, 2018 and October 29, 2018.

| Name                           | Category                      | Number of Corporate Social Responsibility Committee meetings attended |
|--------------------------------|-------------------------------|-----------------------------------------------------------------------|
| Mr. Vineet Nayyar <sup>1</sup> | Non – Executive Vice Chairman | 1                                                                     |
| Mr. C. P. Gurnani <sup>2</sup> | Managing Director & CEO       | 1                                                                     |
| Mrs. M. Rajyalakshmi Rao       | Independent Director          | 2                                                                     |
| Mr. Ulhas N. Yargop            | Non-Executive Director        | 2                                                                     |

<sup>1</sup> Retired as Director w.e.f. July 31, 2018.

<sup>2</sup> Appointed as Chairman of CSR Committee w.e.f. August 1, 2018.

The Company Secretary acts as the Secretary to the Committee.

The Chief Financial Officer of the Company and Chief Executive Officer of Tech Mahindra Foundation 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;
- Review Sustainability initiatives of the company;
- 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 Committee periodically reviews enterprise risks including Treasury, Forex and Currency risk, Cyber Security risk, Directors and Officers liability risk.

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. Mr. Sunil Sanger has been appointed as Chief Risk Officer of the Company. The Managing Director & CEO and Chief Financial Officer of the Company are the invitees to the meetings of the Committee. The Company Secretary acts as the Secretary to the Committee. There were four meetings held on May 24, 2018, July 30, 2018, October 29, 2018 and February 4, 2019.

| Name                | Category                       | Number of Risk Management Committee meetings attended |
|---------------------|--------------------------------|-------------------------------------------------------|
| Mr. T. N. Manoharan | Chairman, Independent Director | 4                                                     |
| Mr. Anupam Puri     | Independent Director           | 4                                                     |
| Mr. M. Damodaran    | Independent Director           | 4                                                     |
| Mr. Ulhas N. Yargop | Non-Executive Director         | 4                                                     |

**f) INVESTMENT COMMITTEE:**

The Board of Directors constituted the Investment Committee of the Board at its meeting held on September 9, 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. Ravindra Kulkarni, Mr. C. P. Gurnani, Mr. Anupam Puri, Mr. Ulhas N. Yargop and Mr. V. S. Parthasarathy are the Members of the Committee. Mr. Vineet Nayyar ceased to be a member of the Committee post his retirement w.e.f. July 31, 2018. The Company Secretary acts as the Secretary to the Committee. The Chief Financial Officer of the Company is the invitee to the meetings of the Committee. The Committee met on February 4, 2019 which was chaired by Mr. Ravindra Kulkarni and attended by Mr. C. P. Gurnani, Mr. Anupam Puri, Mr. Ulhas N. Yargop and Mr. V. S. Parthasarathy.

**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. Ravindra Kulkarni is the Chairman of the Securities Allotment Committee w.e.f. 1<sup>st</sup> August, 2018. Mr. C. P. Gurnani and Mr. Ulhas N. Yargop are the other Members of the Committee. Mr. Vineet Nayyar who was Chairman of the Committee ceased to be Chairman and member of the Committee post his retirement w.e.f. July 31, 2018

**IV. GENERAL BODY MEETINGS:**

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

| Year | Location of AGM                                                                          | Date           | Time      | Special Resolutions passed                                                                                                                                                                                                              |
|------|------------------------------------------------------------------------------------------|----------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2016 | Y. B. Chavan Auditorium, General Jagannath Bhosle Marg, Nariman Point, Mumbai - 400 021. | August 2, 2016 | 3.00 p.m. | Adoption of new set of Articles of Association of the Company.                                                                                                                                                                          |
| 2017 | Birla Matushri Sabhagar, 19, Marine Lines, Mumbai - 400 020.                             | August 1, 2017 | 3.00 p.m. | None                                                                                                                                                                                                                                    |
| 2018 | Y. B. Chavan Auditorium, General Jagannath Bhosle Marg, Nariman Point, Mumbai - 400 021. | July 31, 2018  | 3.30 p.m. | a) Approval of Employee Stock Option Scheme 2018 for the benefit of Employees and Directors of the Company.<br>b) Approval of Employee Stock Option Scheme 2018 for the benefit of Employees and Directors of the Subsidiary Companies. |

- (ii) Details of Special Resolutions passed through Postal Ballots during the year 2018-19: 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, Maharashtra Times and Navshakti. 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 as amended from time to time 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 inter-alia, includes the Director's Report, the report on Corporate Governance, the Management Discussion and Analysis and the Business Responsibility Report, is another channel of communication with the Shareholders.

## VI. GENERAL SHAREHOLDER INFORMATION:

### 1. Annual General Meeting:

|         |                                                                                                                                                                                                                                        |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Date    | Wednesday, July 31, 2019                                                                                                                                                                                                               |
| Time    | 3.00 P.M.                                                                                                                                                                                                                              |
| Venue   | Y. B. Chavan Auditorium, General Jagannath Bhosle Marg, Nariman Point, Mumbai – 400 021.                                                                                                                                               |
| Webcast | For the shareholders who cannot attend the meeting in person, the Company has arranged web-cast of the proceedings of the AGM through the website of NSDL i.e. <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> |

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

Calendar for 2019-20:

| Financial reporting for                                   | Tentative Board meeting schedule (subject to change) |
|-----------------------------------------------------------|------------------------------------------------------|
| Quarter ending June 30, 2019                              | Second fortnight of July 2019                        |
| Half year ending September 30, 2019                       | First fortnight of November 2019                     |
| Quarter ending December 31, 2019                          | Second fortnight of January 2020                     |
| Year ending March 31, 2020                                | First fortnight of May 2020                          |
| Annual General Meeting for the year ending March 31, 2020 | Second fortnight of July 2020                        |

### 3. Book Closure / Record Date:

July 27, 2019 to July 31, 2019 (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 7, 2019.

### 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 2019-20 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:**

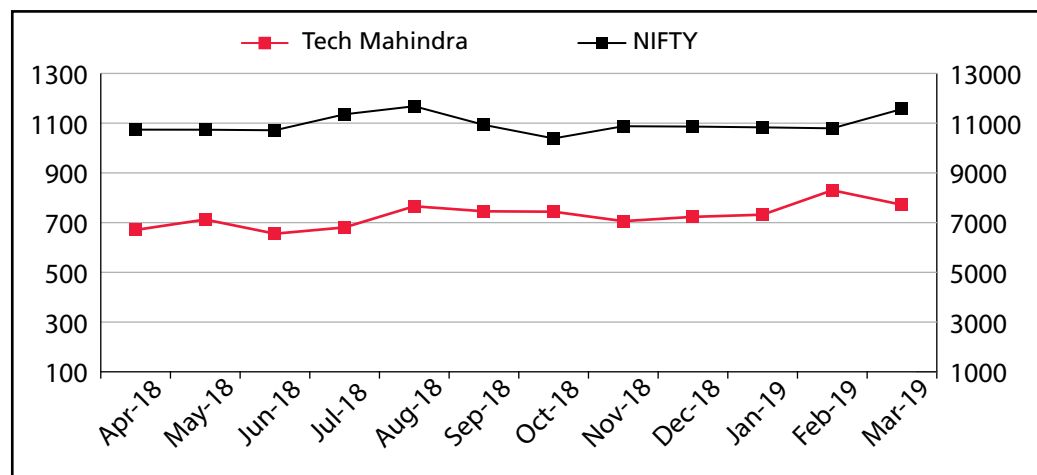
INE669C01036

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

| Month  | NSE    |        | BSE    |        |
|--------|--------|--------|--------|--------|
|        | High   | Low    | High   | Low    |
| Apr-18 | 729.50 | 603.25 | 729.00 | 603.10 |
| May-18 | 718.70 | 636.45 | 722.00 | 637.45 |
| Jun-18 | 721.90 | 634.15 | 721.85 | 635.00 |
| Jul-18 | 684.90 | 612.40 | 684.20 | 612.50 |
| Aug-18 | 768.75 | 634.10 | 769.75 | 634.00 |
| Sep-18 | 780.00 | 693.00 | 779.40 | 692.30 |
| Oct-18 | 780.80 | 640.40 | 780.05 | 640.65 |
| Nov-18 | 747.00 | 671.00 | 746.35 | 671.00 |
| Dec-18 | 739.90 | 680.05 | 738.00 | 682.05 |
| Jan-19 | 742.40 | 672.50 | 741.75 | 672.95 |
| Feb-19 | 840.00 | 728.00 | 840.01 | 728.85 |
| Mar-19 | 836.50 | 761.60 | 836.45 | 762.35 |

**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. Umesh Sharma

Email address: umesh.sharma@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, 2019:

| No. of Equity Shares held | Shareholders        |            | Equity shares held |            |
|---------------------------|---------------------|------------|--------------------|------------|
|                           | No. of Shareholders | % to Total | No. of shares      | % to Total |
| 1-500                     | 4,71,757            | 94.59      | 38,315,696         | 3.90       |
| 501-1000                  | 14,326              | 2.88       | 10,826,898         | 1.10       |
| 1001-2000                 | 6,240               | 1.25       | 9,005,363          | 0.92       |
| 2001-3000                 | 1,874               | 0.38       | 4,660,833          | 0.47       |
| 3001-4000                 | 905                 | 0.18       | 3,199,698          | 0.32       |
| 4001-5000                 | 622                 | 0.12       | 2,817,243          | 0.29       |
| 5001-10000                | 1,109               | 0.22       | 7,847,805          | 0.80       |
| 10001 & above             | 1,881               | 0.38       | 906,688,934        | 92.20      |
| <b>Total</b>              | <b>4,98,714</b>     | <b>100</b> | <b>983,362,470</b> | <b>100</b> |

## 13. Shareholding pattern as on March 31, 2019:

| Category                               | No. of shares held | % to Total |
|----------------------------------------|--------------------|------------|
| <b>Promoters Holdings</b>              | 352,693,512        | 35.87      |
| <b>Public Share Holding:</b>           |                    |            |
| Mutual Funds                           | 83,909,693         | 8.53       |
| Banks, Financial Institutions & others | 1,676,614          | 0.17       |
| Foreign Institutional Investors        | 6,928,284          | 0.70       |
| Bodies Corporate                       | 19,231,667         | 1.96       |
| NRI/Foreign Nationals                  | 8,380,208          | 0.85       |
| Foreign Portfolio Investor (Corporate) | 374,716,811        | 38.11      |
| Indian Public & others                 | 135,825,681        | 13.81      |
| <b>Total</b>                           | <b>983,362,470</b> | <b>100</b> |

## 14. Dematerialization of shares and liquidity:

99.80% 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, 2019. 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, 2019, 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 centres in India and abroad. The addresses of the global development centres/ 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, 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. Umesh Sharma  
Email address: umesh.sharma@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. Anil Khatri  
Company Secretary  
Tech Mahindra Limited  
Sharda Centre, Off Karve Road,  
Kothrud Pune – 411 004  
Maharashtra, India.  
Tel No. +91 20 6601 8458  
Email address: investor.relations@techmahindra.com

19. As the company has not issued any debt instruments or accepted any fixed deposits, the Company was not required to obtain credit ratings in respect of the same. The credit rating from CARE Ratings Limited during the financial year 2018-19 for bank facilities are CARE AAA for Long term and CARE A1+ for the short term. There has been no revision in the said rating.

**20. 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:

| Sr. No. | Particulars                                                                                                            | (in Numbers)                                            |
|---------|------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| (i)     | Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year | 469 Shareholders holding 3,31,124 Shares of ₹ 5/- each. |
| (ii)    | Number of shareholders who approached Company for transfer of shares from suspense account during the year             | 1 Shareholder holding 704 Shares of ₹ 5/- each.         |
| (iii)   | Number of shareholders to whom shares were transferred from suspense account during the year                           | 1 Shareholder holding 704 Shares of ₹ 5/- each.         |
| (iv)    | Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year       | 468 Shareholders holding 3,30,420 Shares of ₹ 5/- each. |

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

**21. Transfer of Unclaimed Dividend to IEPF:**

Dividends that are unclaimed for a period of seven years, are statutorily required to be transferred to Investor Education and Protection Fund Authority (IEPF Authority) administered by the Central Government.

Further, pursuant to the provisions of Section 124 of the Companies act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, including amendments thereto ('IEPF Rules') all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by Ministry of Corporate Affairs. In accordance with the aforesaid rules, the Company has sent notice to all Shareholders whose shares are due to be transferred to the IEPF Authority and has also published newspaper advertisement.

The shareholders whose dividend is/will be transferred to the IEPF Authority can claim the same from IEPF Authority by following the procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPFA/Refund.html>.

Members, who have not yet encashed their dividend warrant(s)/fractional share payment 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 IEPF Rules, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on July 31, 2018 (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/sale proceeds of fractional shares to IEPF:

| Financial Year | Type of Dividend/<br>fractional share payment | Date of Declaration/<br>Payment | Due for transfer to IEPF |
|----------------|-----------------------------------------------|---------------------------------|--------------------------|
| 2011-2012      | Final Dividend                                | August 10, 2012                 | September, 2019          |
| 2012-2013      | Final Dividend                                | September 26, 2013              | November, 2020           |
| 2012-2013      | Fractional share payment                      | September 5, 2013               | September, 2020          |
| 2013-2014      | Final Dividend                                | August 01, 2014                 | September, 2021          |
| 2014-2015      | Final Dividend                                | July 28, 2015                   | September, 2022          |
| 2015-2016      | Final Dividend                                | August 2, 2016                  | September, 2023          |
| 2016-2017      | Final Dividend                                | August 1, 2017                  | September, 2024          |
| 2017-2018      | Final Dividend                                | July 31, 2018                   | September, 2025          |

## VII. DISCLOSURES:

- i. There have been no materially significant related party transactions that may have potential conflict with the interests of the 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, which includes Vigil Mechanism 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 SEBI Listing Regulations.
- v. The Company has complied with the following discretionary requirements as prescribed in Part E of Schedule II to the SEBI Listing Regulations:
  - a) For the Financial Year 2018-19 and 2017-18, the Company has received an 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) and can be accessed at the web-link: <https://www.techmahindra.com/sites/ResourceCenter/brochures/investors/corporategovernance/Policy-For-Determining-Material-Subsidiaries.pdf>.

- 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) and can be accessed at the web-link: <https://www.techmahindra.com/sites/ResourceCenter/Brochures/investors/corporategovernance/Related-Party-Transactions-Policy.pdf>.
- 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 Depository Participants, so, that all future communications can be sent through email.
- ix. The Company has not raised funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).
- x. A Certificate has been received from Dr. K. R. Chandratre, Practising Company Secretary, Pune, that none of the directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority.
- xi. During the financial year ended 31<sup>st</sup> March, 2019 the Board of Directors has accepted recommendations of the committees of the Board.
- xii. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors B S R & Co. LLP, Chartered Accountants is as follows:-

Auditors Remuneration (exclusive of service tax/GST):

₹ in Million

| Particulars                               | March 31, 2019 |
|-------------------------------------------|----------------|
| Audit fees (including quarterly audits)   | 46             |
| For other services (certifications, etc.) | 16             |
| For taxation matters                      | 7              |
| For reimbursement of expenses             | 2              |
| <b>Total</b>                              | <b>71</b>      |

- xiii. Details of complaints received, redressed and pending on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are as follows:
  - a) Number of complaints filed during the financial Year - Nil
  - b) Number of complaints disposed of during the financial year – Not Applicable
  - c) Number of complaints pending as on end of the financial year – Nil

#### DECLARATION BY MD & 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, 2019, 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 21<sup>st</sup> 2019

C. P. Gurnani  
Managing Director & CEO

## **Independent Auditors' Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

### **To the Members of Tech Mahindra Limited**

1. This certificate is issued in accordance with the terms of our engagement letter dated 1 June 2018.
2. This report contains details of compliance of conditions of Corporate Governance by Tech Mahindra Limited ('the Company'), for the year ended 31 March 2019, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchanges.

### **Management's responsibility**

3. The compliance with the terms and conditions contained in the Corporate Governance is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

### **Auditor's responsibility**

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2019.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Service Engagements.

### **Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above- mentioned Listing Regulations.
9. 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.

### **Restrictions on Use**

10. The certificate is addressed and provided to the Members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

Jamil Khatri  
Partner

Place: Mumbai  
Date: 21 May 2019

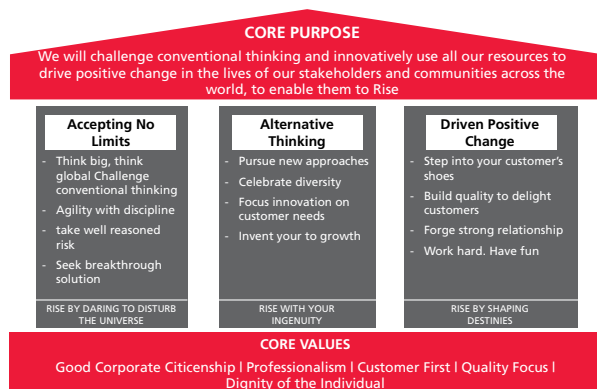
Membership number: 102527  
ICAI UDIN: 19102527AAAAAB1154

## MANAGEMENT DISCUSSION AND ANALYSIS

### Company and Performance Overview

Tech Mahindra Limited is a leading provider of digital transformation, consulting and business re-engineering services and solutions and is a part of the USD 21 Billion Mahindra Group; a global federation of companies divided into 11 business sectors. Befitting its size, the Mahindra Group operates in 20 key industries, providing insightful and ingenious solutions that are global in their ramifications. The Companies Act as a federation, with an optimum balance of entrepreneurial independence and synergy. From Mobility to Rural Prosperity and Information Technology (IT), from Financial Services to Clean Energy and Business Productivity, they are empowering enterprise everywhere. Headquartered in Mumbai, India, the Group has an operational presence in over 100 countries and employs more than 200,000 people. The Group operates across vast geographies and the governing spirit of "Rise" binds it as one Mahindra.

### Rise: House of Mahindra



Tech Mahindra represents the connected world, offering innovative and customer-centric information technology experiences, enabling Enterprises, Associates and the Society to Rise™. It is a USD 4.9 billion company with 121,000+ professionals across 90 countries, helping over 935 global customers including Fortune 500 companies. The company's convergent, digital, design experiences, innovation platforms and reusable assets connect across a number of technologies to deliver tangible business value and experiences to its stakeholders. Tech Mahindra is the highest ranked non-US company in the Forbes Global Digital 100 list (2018), and also featured in the Forbes Fab 50 companies in Asia (2018).

### Businesses are impacted more and more by new technologies

Tech Mahindra progresses forward with the philosophy of "Connected World, Connected Experiences". The

company continues to offer a portfolio of services, to include, amongst others, Next Generation Solutions, Customer experience, Enterprise Architecture, Enterprise-of-Future (Network Services, Infrastructure & Cloud Services, Mobility solutions, Performance engineering), Platforms, Analytics and connected enterprise solutions. Alongside these offerings, there have been a wave of disruptive business influences, which have now emerged as more crucial aspects of business than ever before. The company has developed capabilities helping customers deploy such technologies across its businesses.

Tech Mahindra's revenue was at ₹ 347,421 Million (USD 4,970.5 Million) for the financial year ended March 31, 2019, registering a growth of 12.9% (4.2% in USD terms) on a YoY basis. The company's Profit After Tax (PAT) was at ₹ 42,976 Million (USD 614.6 Million) for financial year 2018-19 registering a growth of 13.1% (4.5% in USD terms).

Tech Mahindra is a Public Listed Company, incorporated and domiciled in India and has its registered office in Mumbai, Maharashtra, India. It has a primary listing on The National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

### Industry Structure and Development

India continues to provide thought leadership in various growing and evolving areas across the entire spectrum of the technology ecosystem, with focus on re-skilling and digital transformation.

As per NASSCOM Strategic Review Report 2019, India's IT-BPM industry stands at USD ~177 billion market (registering 6.1% annual growth) and employs around 4.14 Million people.

The year has been christened as 'The Year of Digital Acceleration', wherein the industry was able to fast-forward its journey to be the digital solutions partner across the different sectors.

2018-19 was an exciting year for the industry, as the export sector crossed USD 137 billion of revenues. Interestingly, the industry sectors have also expanded beyond IT Services and together are almost half the industry revenues in 2018-19.

Digital technology is throwing up a new set of opportunities for the technology industry and over the past few years, the business has seen a shift (a) in revenue share (currently, digital share is between 18%-20% and increasing), (b) talent (India accounts for 75% share in global digital talent), (c) business models (partnerships, As-a-Services, etc.), (d) revenue source (IP-led, platforms, cloud) and (e) organizational structure (dedicated BUs, CoEs, etc.).

The key themes for the year included solutions across emerging technologies, especially those that are AI and Automation based. Skilling has been a priority for organizations in the industry, to adapt to the digitally transforming operations and the industry now has over 600,000 digitally skilled professionals.

Setting up Centers of Excellence & Innovation Hubs in key markets and enhanced focus on products and platforms are key investments being made by the industry for digital capabilities. The year 2018 marked a decade post the financial crisis of 2008 and witnessed global technology growth as a result of revived customer and business confidence. The decade has witnessed a complete transformation of the technology and services industry in India. As we stand at the cusp of the next decade, the IT-BPM industry will continue to accelerate the digital journey and focus on its vision of Transforming Businesses and Transforming India.

## Outlook

According to Gartner Inc., the world's leading information technology research and advisory company, the worldwide IT spending is projected to total USD 3.79 trillion in 2019, an increase of 1.1% from 2018. The shift of enterprise IT spending from traditional (non-cloud) offerings to new, cloud-based alternatives is continuing to drive growth in the Enterprise software market. In 2019, the market is expected to reach USD 427 billion, up ~ 7% from USD 399 billion in 2018. However, Gartner expects increased growth for the Infrastructure software segment in the near-term, particularly in integration platform as a service (iPaaS) and application platform as a service (aPaaS).

As per India's IT-BPM Industry Association – NASSCOM, the outlook for the Indian information technology (IT) sector is expected to be steady, with a positive bias for FY2019. Industry is expected to grow marginally above NASSCOM guidance of 7-9% in constant currency. Export revenues are estimated to grow to ~USD 135-137 billion from the USD 126 billion in FY 2018, a growth of 8.3%. The domestic revenues are expected to grow 7.9% percent to ~INR 28-29 billion in the financial year 2018-19 while digital is seen to be growing at 30% year-on-year and is estimated to touch USD 33 billion in 2018-19 due to investment in digital transformation and the use of automation.

## Opportunities and Risks

### Opportunities

The Information technology market has been in a state of flux due to emerging technological changes. The marketplace is exploding all over the world, with myriad disruptions, changing buyer behaviour. IT solution providers of all shape and size can no longer rely on the successes of the past to guarantee their future.

The technological changes are rewriting the rules of business. There is little doubt that the connected future is taking shape faster than most businesses anticipated. The question remains – are companies prepared for the new realities of this connected future? IT services providers will need to reinvent themselves to stay relevant. The new imperatives of success for service providers are: business outcome enablement; new business models and new engagement models to support client expectations; new operating models that increase speed and agility; and building and creating smarter solutions that are programmable. We, at Tech Mahindra are committed to bridging the gap between today's capabilities and tomorrow's endless possibilities.

More than five decades ago, the world witnessed its first chat-bot ELIZA created by Joseph Weizenbaum. Today, the chat-bot market has skyrocketed. The market is projected to cross USD 5 billion by 2023, supporting sectors such as BFSI, healthcare, IT, telecom, retail, utilities and notably, governments. This is just one of the multitude of examples on technology's unmatched pace. Technology will continue to remain a key enabler in whatever we do.. AR/ VR, ML, Analytics, Cloud, IoT, Design are nothing but the key parts of the technology bandwagon we shall need for our flight to the future.

In addition to technology, deeper business involvement, customizable yet repeatable solutions and re-skilling of workforce to keep pace with new technologies and trends will be of utmost importance.

This overhaul across areas shall present opportunities unknown to today's world and full of uncertainties. The only answer to this new paradigm is being prepared and well-equipped to face the new future. Your company has taken several initiatives to address these opportunities

### Blockchain :

Tech Mahindra has architected and implemented a comprehensive strategy to position itself as one of the world's leading Blockchain companies. As part of this strategy, Tech Mahindra has identified and is working on a holistic framework called 'Block Ecosystem', which creates industry-leading applications that are architected on innovation and human excellence to unlock significant value for all stakeholders. This framework has enabled us to not only promote Blockchain adoption by clients but also successfully deploy several cutting-edge solutions across our clients' businesses during the last 12 months.

### The key components of our Block Ecosystem are as below:

1. **Block Studio:** It has the potential to evolve into the world's first Blockchain Decentralized Apps (dApps) marketplace.

- 2. **Block Talk:** It is a Blockchain Thought Leadership forum that aims to evangelize Blockchain technology to internal employees and to clients.
- 3. **Block Engage:** Tech Mahindra envisions to engage with the Government and Analyst firms to develop the Blockchain ecosystem. In the course of last one year, we have been recognized by the leading analyst firms as one of the leading Blockchain Service Providers in the industry.
- 4. **Block Geeks:** Tech Mahindra reiterates its commitment to provide best-in-class training to its employee base and nurture a significant talent pool.
- 5. **Block Accelerate:** Through Block Accelerate, Tech Mahindra commits to building the Blockchain ecosystem by encouraging the growth of startup companies and incubators through strategic investments, thereby triggering accelerated revenues and valuation.
- 6. **Block Access:** This focuses on tapping into 3rd party innovation through collaboration with Start-ups, Blockchain Protocol Developers & Industry Associations. Last year, we collaborated with 13+ startup partners, 6 protocol developers and 4 consortium members.
- 7. **Block Value:** Through Block Value we focus on generating revenues and profitability across our clients' businesses.

**Cyber Security:**

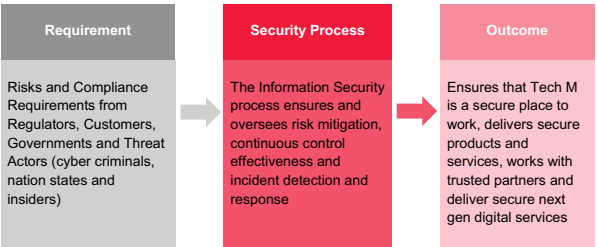
As the businesses digitize, security and privacy issues have taken center stage. Cyber Security attacks have begun to severely impact businesses of affected organizations. The main cyber threats are loss of intellectual property due to nation state actors, loss of services due to denial of service attacks by hacktivists, extortion due to ransomware, theft of customer data, fines and penalties due to noncompliance to regulations and lastly the increasing sensitivity of customers to security and privacy issues.

Without being assured of a comprehensive security posture, our customers would not be keen to outsource large projects or sensitive areas of their business. Given the spate of cyber security incidents, customers contractual agreements are more stringent and audited at regular intervals. In addition, laws around data protection and data privacy are evolving and this is creating a growing market for service providers like us.

The scope of Information Security Management at Tech Mahindra includes all business processes, delivery management functions, support services, Infrastructure services and IT domains – Hardware,

Software, Applications and Services. It covers all our corporate functions and Strategic business units delivering to over 900 accounts.

Your company follows a Requirements-to-Outcome model as summarized below:



The Information Security process is certified to the ISO 27001:2012 security management standard and to the Business Continuity Management System ISO22301:2012.

**Augmented Reality (AR)/ Virtual Reality (VR):**

The world is rapidly shifting to embrace the paradigm of extended reality. Tech Mahindra have successfully nurtured requisite skills and capabilities ranging from creating Enterprise Gamification to creating augmented insights of data and services for customers.

**Machine Learning (ML) & Artificial Intelligence (AI):**

The mission of our research arm, referred as Makers lab, is to make smart machines of the future. Our research in algorithms is a combination of current AI /ML algorithms going further in the neuroscience domain where we look at how the brain works and how does thought and memory occur. The research is to either develop a simplistic machine model or an algorithm which would use lesser data and would understand at a primal level the actions and insights. While we conduct research in the area of ML/ AI, we also solve practical customer challenges using various AI algorithms. We also put our solutions and IPs to test within the organization. We launched a program on AI and botification within the organization. Under this charter we have opened three of our IPs viz. Acumos (joint IP with customer), Entellio (conversational AI assistant) and Uno (RPA agent) to each one of our associates and who use these technologies for providing value to our customers.

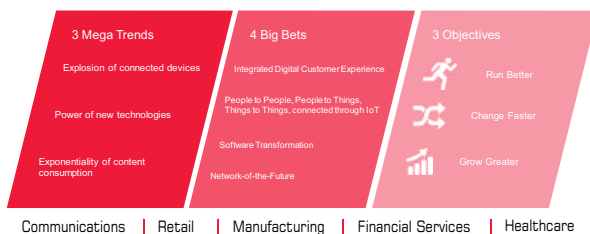
**Quantum Computing:**

Quantum Computing has been a recent foray by Tech Mahindra, under the aegis of Makers Lab. The most prominent use cases in the field of Quantum Computing has been in the area of E-security, wherein we delivered a first use case of Quantum-Enabled Application. There is a lot more happening in the Quantum world with respect to the realm of AI and Distributed Ledgers, to enable companies solve complex classical optimization problems.

## Strategy

Tech Mahindra implemented the 3-4-3 strategy that focuses on disruptive trends and transformative technologies in order to help customers in various industries with focussed approach solutions and clear outcomes. This means addressing the 3 megatrends happening in the market, 4 bets that Tech Mahindra would take to address those mega trends and which fits into 3 areas of CXO's priorities. The company has customized this 3-4-3 strategy to cater to specific market needs in each of the verticals it targets. We diversified successfully over past five years to the extent that Communications vertical represents less than half of total revenue. Also, Manufacturing is now a billion dollar vertical for us.

The Core "3-4-3 strategy" is depicted in a nutshell below:-



One of the cornerstones of our strategy has been enabled by developing a strong ecosystem of new-age partners through TechMNxt. The key focus of this initiative is to re-position Tech Mahindra as a Next Gen Services company that executes with Next Gen technologies, Next Gen business model and most importantly, Next Gen associates.

TechMNxt is all about leveraging industry leaders & start-ups, academia and partners to effectively deliver solutions to the clients in areas of AI, ML, Cyber Security, next-gen networks, Big Data, IoT, CX and new delivery models leveraging micro services and crowd sourcing and more.

While implementing 3-4-3 strategy in each industry vertical, we had a guiding structure to pick up initiatives across the spectrum in from Wave 1-4 summarised below:



**Wave 1:** The Company continues to transform the current business and make it efficient with use of Automation and Artificial Intelligence while adopting to changes in industry landscape.

**Wave 2:** We target high growth non-linear business by focusing on key platforms, many of which the company developed internally. These platforms cut across in three segments Utility, Technology and Vertical focused. Today with 20+ platforms, Tech Mahindra augments its service delivery through these platforms to offer a complete solution.

We have also refreshed our approach to Digital. In line with the movement of the expectations of our customers moving from IT-outcome focussed approach to a business outcome based approach, here are the 6 themes across which Tech Mahindra sees Digital opportunities:



**Wave 3:** We believe in collaborative disruption wherein the company focuses on portfolio companies, M&A and alliances to develop a powerful ecosystem of partners by investments in innovation and startups.

**Wave 4:** With the current model of operations, we are solving problems of today for a better tomorrow. However, the problems of tomorrow will need us to respond at an intersection. Tech Mahindra focusses on addressing such problems of tomorrow in each of our verticals by experimental approach towards developing transformational solutions.

## 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> | For the Financial year 2018-19 (FY19), Communication Vertical had a revenue share of ~41.2% of the total business. This is much higher when compared to leading Indian and global IT peers of Tech Mahindra and is one of the highest top-vertical revenue concentration amongst peers.                                                                                                                                                                                                            | <p>The Communication industry is one of the largest spenders on the IT and Network Services and the nature of these spends keeps evolving and changing as new technologies get introduced.</p> <p>Tech Mahindra has made significant investments in being relevant and benefiting from new age technologies. Tech Mahindra has also entered into several partnerships to disrupt these technologies. The concentration has been coming down gradually over years and stands at 41.2% for FY19 versus 52% in FY16.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Communication vertical cyclical</b>              | Historically, IT services spend in Communications industry has been cyclical, resulting in periods of prolonged and tepid spends. This increasing the risk of secular growth for ~41% of the business, going forward.                                                                                                                                                                                                                                                                              | <p>While IT services spends growth have been tepid in the Global Communications space, Tech Mahindra has been able to grow in line with its peers in the Communication vertical over longer periods, which captures both the up and down cycles.</p> <p>The Company is one of the few Global IT Company, which has a complete end-to-end span of services in the Communications vertical and has been able to leverage its expertise and unique positioning to grow faster.</p> <p>The Company today provides its services to almost all the key Global Communications Companies. Further, the Company has made a foray in to the USD ~40 billion Network Services market, which has helped open up a completely new and untapped market with huge growth opportunities.</p> <p>Further, the Communication Service Providers are consolidating and getting in to areas like Media &amp; Entertainment, Cable and Content. These would provide significant opportunities to Tech Mahindra in the future, by capitalising on the investment in these emerging opportunities.</p> |
| <b>Global economy risk</b>                          | Tech Mahindra's export revenues are over 94% and it derives 47.3% revenue from Americas, 29.3% from Europe and 23.5% from the Rest of the World. One aspect of the company's growth strategy is to continue to expand in key markets around the world. The Economic growth activity in these markets could directly or indirectly affect Tech Mahindra customers' IT spends. A slowdown in these economies would pose lower growth or deferred IT spends, thus impacting growth for Tech Mahindra. | <p>Tech Mahindra has been operating in volatile business environment for over three decades and its business model has evolved to deal with these changes in the business environment and IT spend outlook of its clients.</p> <p>However, severe adverse Global Economic activities risks and any recessionary trends can impact any Company including Tech Mahindra and remains a business risk, akin to any other IT services business.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

| Key Risk                                      | Impact of risk                                                                                                                                                                                                                                                                                                                                                                                                                 | Mitigation / strategy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Regulatory changes risk/<br/>Visa Risk</b> | <p>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.</p> <p>Protectionism is rising in few economies like USA, UK, Australia, Singapore, etc.</p> <p>Any changes in immigration laws or any local regulations can impact the profitability and growth.</p>                                                    | <p>Tech Mahindra has been in the software services business for over three decades and has been familiar and complying with the local regulations across its working locations.</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 also has been hiring local employees from time to time.</p> <p>Tech Mahindra 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>           | <p>The Company has a focused M&amp;A strategy. The Company has acquired multiple companies in the past several years. M&amp;As and its integrations by nature involve risks relating to failure to achieve strategic objectives, financial loss, cultural and financial integration etc.</p>                                                                                                                                   | <p>Acquisitions and M&amp;As have not been new to the Company.</p> <p>The Company has well laid out defined plans on acquisitions. It uses M&amp;A to fill up gaps in its portfolio of competency / services, verticals and client / geography access.</p> <p>Tech Mahindra has a dedicated and professional M&amp;A team led by executive Leadership.</p> <p>The Company undertakes extensive due diligence and deals are evaluated by the senior management and the Board. Company also engages with Investment bankers, subject matter experts and advisors in the required areas.</p> <p>Management's experience with most of 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 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>This stiff competition can lead to pressure on pricing, vendor consolidation and hence can impact the Company's 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 multi-pillar 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>                      | The industry is seeing a shift to new age technologies which are continually evolving. This shift, 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>Tech Mahindra has been a specialist provider of connected solutions and has been investing in competencies required for a digital enterprise.</p> <p>The company has made significant investments in service areas like IoT, Cloud, microservices, Artificial Intelligence, Automation, Blockchain, Cyber Security Services etc.</p> <p>The Company invests in Centres of Excellence (CoE's) and provides many opportunities to its employees through internal and external training on technology and domain skill upgrades and also focuses on reskilling and upskilling employees. One of the key focus areas for this year was nurturing talent and Company has tied up with world class content partners, and with AI based personalized learning aggregators, to ensure that its human capital / intellectual machinery gets reskilled and honed to become the workforce of the future.</p> |
| <b>Employee related / Supply Side risks</b> | With the evolving IT industry, right skillset and talent is required to respond quickly to the ongoing changes. Cost effective hiring and retaining increased number of professionals with the required skillset is a challenge.                                                                                                                                                            | <p>Tech Mahindra 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>Tech Mahindra has a comparable remuneration structure, matured HR process and various employee friendly incentives.</p> <p>The Company focuses on reskilling and runs various programmes for employee enhancement and growth like the Global Leadership Cadre (GLC), Young CEO program, Shadow board, 1000 Leaders program etc. The Company has also invested in various learning platforms to provide training to the employees on the new and digital technologies.</p>                                                                                                                                                                                                     |
| <b>Currency risks</b>                       | The exchange rate of Tech Mahindra'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 Foreign Exchange losses and gains. Adverse currency movements could also lead to impact on Company's profitability being hit. | <p>Tech Mahindra 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 Company's revenue is contributed by its onsite activities and a substantial portion of overall cost is incurred is 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>                                                                                                                                                                                                                                                                                                |

| Key Risk                 | Impact of risk                                                                                                                                                                                                                                             | Mitigation / strategy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Data Privacy Risk</b> | <p>Many countries have stringent Data Protection and Privacy Laws.</p> <p>There is cyber security risk related to company's corporate and client data, which may hamper company's relationship with customers and company's brand value.</p>               | <p>Tech Mahindra's Information Security (IS) policy is 'to ensure confidentiality, integrity and availability of required information that is acquired, developed and provided to all relevant stakeholders.</p> <p>Tech Mahindra's Information and Data Security initiatives are in line with ISO/IEC 27001:2005 standard and code of practice ISO 27002. Tech Mahindra is one among the five companies in India to be certified and the requirements of the specification are implemented through the Information Security Management System (ISMS).</p> <p>Tech Mahindra has its own security risk assessment and management methodology that is designed based on the generally accepted methods within the industry.</p>                        |
| <b>Litigation Risk</b>   | <p>Company has been working with over 900 customers across 90 countries and is prone to risk of litigation arising out of contract execution, Intellectual Property related, regulatory compliances, employment related, adverse rulings, mergers etc.</p> | <p>Businesses carry an inherent risk of litigations. To mitigate same, the company has an in-house Legal Team, spread across regions and catering to all the kinds of risks relevant to the IT business. The company also seeks expertise from external Global Law firms, Taxation and Compliance experts in the relevant areas wherever required.</p> <p>Further, the company has a robust process and framework for dealing appropriately and in a timely manner, to all the litigation related risks arising either external or internal to the company.</p>                                                                                                                                                                                      |
| <b>Cyber attack risk</b> | <p>Reputation loss and penalties due to data theft of customer data or TM personal data by external hackers</p>                                                                                                                                            | <p>The company invests in best cyber security tools to defend its environment from cyber security threats such as advanced persistence threats, phishing attacks and other forms of malicious attacks. We also use best of the breed controls such as encryption, 2FA, mobile device management, data leakage protection to keep Intellectual property and customer data safe.</p> <p>People form a key part in our journey towards a secure organisation. We invest in comprehensive training with assessment for the entire workforce. This covers security, data protection and secure delivery. Employees sign appropriate agreement to protect the confidentiality and integrity of data and are employment screened and reference checked.</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 as per Indian Accounting Standards (IND AS) for the year ended March 31, 2019.

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 Indian Accounting Standard - 110 on "Consolidated Financial Statements" (IND AS 110).

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 ₹ 7,932 Million, divided into 1,586,300,000 equity shares of ₹ 5 each. The paid up share capital stood at ₹ 4,917 Million as on March 31, 2019 compared to ₹ 4,897 Million as on March 31, 2018. The increase in paid up capital during the year is due to issue of 3,628,662 shares on account of conversion of options into shares (₹18 Million) by employees under the Employee Stock Option Plans.

#### 2. Reserves and Surplus

##### a) Securities premium account

The addition to the securities premium account of ₹ 1,607 Million during the year is due to amount transferred from share option outstanding account on exercise of stock options to the tune of ₹ 1,262 Million, transfer on allotment of equity shares ₹ 343 Million and ₹ 2 Million allotment of shares by ESOP Trust to employees. Reduction is due to Contractual obligation for Buyback ₹ 19,453 Million.

##### b) Retained Earnings

The surplus in the Statement of Profit and Loss as on March 31, 2019 was ₹ 171,950 Million compared to ₹ 150,495 Million as on March 31, 2018.

#### 3. Borrowings including Current Maturities

Borrowings including Current Maturities as on March 31, 2019 were ₹ 126 Million, as compared to ₹ 2,548 Million as on March 31, 2018.

#### 4. Fixed Assets

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

₹ in Million

| FIXED ASSETS                                  | As at March 31 |               |
|-----------------------------------------------|----------------|---------------|
|                                               | 2019           | 2018          |
| <b>Gross Book Value</b>                       |                |               |
| Land - Freehold                               | 477            | 472           |
| Buildings                                     | 19,357         | 19,317        |
| Lease hold Improvements                       | 840            | 929           |
| Plant & Equipments                            |                |               |
| Leased                                        | 167            | 207           |
| Owned                                         | 14,226         | 13,973        |
| Computer equipments:-                         |                |               |
| Leased                                        | 346            | 3,999         |
| Owned                                         | 14,244         | 13,567        |
| Office Equipments                             | 1,695          | 1,560         |
| Furniture and fixtures                        | 6,708          | 6,580         |
| Vehicles:-                                    |                |               |
| Leased                                        | 2              | 2             |
| Owned                                         | 201            | 207           |
| Intangible assets                             | 14,808         | 13,967        |
| <b>Total</b>                                  | <b>73,071</b>  | <b>74,780</b> |
| Less: Accumulated depreciation & amortization | 46,357         | 43,764        |
| <b>Net block</b>                              | <b>26,714</b>  | <b>31,016</b> |
| Add: Capital work-in-progress                 | 2,713          | 2,354         |
| <b>Net fixed assets</b>                       | <b>29,427</b>  | <b>33,370</b> |

The Net Block of Fixed Assets and Capital Work in Progress stood at ₹ 29,427 Million as on March 31, 2019 as against ₹ 33,370 Million as on March 31, 2018. During the year, the Company incurred capital expenditure (gross) of ₹ 3,194 Million (previous year ₹ 13,361 Million includes ₹ 8,939 Million IPR). The major items of Capital Expenditure include addition to Computer equipment, Software, Plant and Equipment, & Furniture.

## 5. Investments

The summary of Company's investments is given below

₹ in Million

| INVESTMENTS                                                    | As at March 31 |                |
|----------------------------------------------------------------|----------------|----------------|
|                                                                | 2019           | 2018           |
| <b>Non Current Investments</b>                                 |                |                |
| <b>Investment in Subsidiaries</b>                              | 61,163         | 58,085         |
| Investment in Non convertible debentures, Associates & others  | 7,060          | 11,473         |
| <b>Total Investments</b>                                       | <b>68,223</b>  | <b>69,558</b>  |
| Less: Provision for diminution of value                        | 1,936          | 907            |
| <b>Net Non Current Investments</b>                             | <b>66,287</b>  | <b>68,650</b>  |
| Investment (in Property)                                       | 1,141          | 1,289          |
| <b>Total Non-Current Investments</b>                           | <b>67,428</b>  | <b>69,939</b>  |
| <b>Current Investments</b>                                     |                |                |
| Investment in mutual funds                                     | 37,508         | 25,479         |
| Term Deposits with Financial Institutions                      | 11,000         | 5,500          |
| Investment in non-convertible debentures and commercial papers | 14,812         | 2,952          |
| <b>Current Investments</b>                                     | <b>63,320</b>  | <b>33,931</b>  |
| <b>Total Investment</b>                                        | <b>130,748</b> | <b>103,870</b> |

Total investments (non-current) as on 31<sup>st</sup> March 2019 stood at ₹ 67,428 Million as against ₹ 69,939 Million, as on 31<sup>st</sup> March 2018. During the year, Non Current Investment in Non-Convertible Debentures reduced to ₹ 6,908 Million as on 31<sup>st</sup> March 2019 as against ₹ 11,236 Million as on 31<sup>st</sup> March 2018. Investment in Subsidiaries Increased to ₹ 61,163 Million as on 31<sup>st</sup> March 2019 as against ₹ 58,085 Million as on 31<sup>st</sup> March 2018.

Investment in liquid mutual funds as at 31<sup>st</sup> March 2019 was ₹ 37,508 Million (previous year ₹ 25,479 Million) and additional investment during the year is in Term Deposits with Financial Institutions ₹ 5,500 Million and in Current Investment in non-convertible debentures and commercial papers to the tune of ₹ 11,860 Million.

### Investment in Subsidiaries

The Company invested in the following subsidiaries during the FY18-19:

#### a) Dynacommerce Holdings B.V.

The Company has entered into an agreement to acquire 100% stake in Dynacommerce Holdings B.V. vide Share Purchase Agreement dated January 31, 2019 for a value of EUR 0.48 Million (₹ 37 Million).

#### b) The CJS Solutions Group, LLC "The HCI Group"

During the year as per the agreement with minority stakeholders, Company

has acquired additional 4.07% stake in CJS Solutions Group, LLC (CJS) of USD 7.4 Million (₹ 510 Million).

## 6. Deferred Tax Asset

Deferred tax asset as at 31<sup>st</sup> March 2019 was at ₹ 2,182 Million as compared to ₹ 2,753 Million as of 31<sup>st</sup> March 2018. 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 at ₹ 59,633 Million (net of provision for doubtful debts of ₹ 3,090 Million) as of 31<sup>st</sup> March 2019 as compared to ₹ 51,010 Million (net of provision for doubtful debts of ₹ 2,918 Million) as of 31<sup>st</sup> March 2018. Debtor days as of 31<sup>st</sup> March 2019 (calculated based on per-day sales in the last quarter) were 106 days as compared to 104 days as of 31<sup>st</sup> March 2018.

## 8. Cash and Bank Balances

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.

₹ in Million

| CASH & BANK BALANCES                 | As at March 31 |               |
|--------------------------------------|----------------|---------------|
|                                      | 2019           | 2018          |
| Bank balances in India & Overseas    |                |               |
| Current accounts                     | 2,988          | 8,304         |
| Deposit accounts                     | 8,966          | 10,618        |
| Funds in transit                     | 131            | 382           |
| <b>Total cash and bank balances*</b> | <b>12,085</b>  | <b>19,303</b> |

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

**9. Other financial assets, other assets & loans**

Other financial assets, other assets & loans as on 31<sup>st</sup> March, 2019 were ₹ 69,321 Million compared to ₹ 57,998 Million as on 31<sup>st</sup> March, 2018. Other financial assets include foreign currency derivative assets, security deposits, advances to related parties, interest receivable and

unbilled revenue. Other assets include prepaid expenses, balance with government authorities, advance income tax, capital advances, amounts deposited and held in escrow accounts for settlement consideration of Aberdeen UK & US and class action on erstwhile Satyam Computer Services Ltd.

**10. Provisions, Financial Liabilities & Other liabilities**

Liabilities and provisions were ₹ 84,492 Million as of 31<sup>st</sup> March 2019 including long term liabilities and provision of ₹ 6,132 Million and short term / current liabilities and provisions of ₹ 78,360 Million compared to ₹ 58,104 Million including long term liabilities and provision of ₹ 8,566 Million and short term / current liabilities and provisions of ₹ 49,538 Million as of 31<sup>st</sup> March 2018. Increase is on account of Contractual Obligation of ₹ 19,556 Million towards Buyback of equity shares payable to shareholders.

**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 2019    |                   | Fiscal 2018    |                   |
|------------------------------------------------|----------------|-------------------|----------------|-------------------|
|                                                | ₹ in Million   | % of Total Income | ₹ in Million   | % of Total Income |
| <b>INCOME</b>                                  |                |                   |                |                   |
| Revenue from Services                          | 272,196        |                   | 236,922        |                   |
| Other Income                                   | 9,601          |                   | 17,280         |                   |
| <b>Total Income</b>                            | <b>281,797</b> | <b>100%</b>       | <b>254,202</b> | <b>100%</b>       |
| <b>EXPENDITURE</b>                             |                |                   |                |                   |
| Personnel Cost                                 | 84,440         | 29.96%            | 81,240         | 31.96%            |
| Subcontracting Expenses                        | 101,207        | 35.91%            | 90,257         | 35.51%            |
| Operating and Other Expenses                   | 34,859         | 12.37%            | 26,432         | 10.40%            |
| Depreciation                                   | 6,587          | 2.34%             | 6,563          | 2.58%             |
| Finance Cost                                   | 431            | 0.15%             | 708            | 0.28%             |
| <b>Total Expenditure</b>                       | <b>227,524</b> | <b>80.74%</b>     | <b>205,200</b> | <b>80.72%</b>     |
| <b>Profit before tax and exceptional items</b> | <b>54,273</b>  | <b>19.26%</b>     | <b>49,002</b>  | <b>19.28%</b>     |
| Provision for Taxation                         | 10,469         |                   | 9,063          |                   |
| <b>Net profit for the year</b>                 | <b>43,804</b>  | <b>15.54%</b>     | <b>39,939</b>  | <b>15.71%</b>     |

**1. Revenue**

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

The revenue increased to ₹ 272,196 Million in fiscal 2019 from ₹ 236,922 Million in fiscal 2018. The increase in revenue is mainly due to increase in number of clients served & increase in amount of business from these clients.

## Consolidated Revenue

Consolidated Revenue for fiscal 2019 was ₹ 347,421 Million compared to ₹ 307,729 Million in fiscal 2018, growth of 12.9%.

## Consolidated revenue by Geography

Revenue from Americas was 47.2% in fiscal 2019 compared to 46.6% in fiscal 2018 while the share of revenue attributable to Europe was 29.3% in fiscal 2019 compared to 29.8% in the previous year. Revenue from Rest of the World (including India) as a percentage of total revenue was 23.5% in fiscal 2019 compared to 23.6% in fiscal 2018.

## Consolidated revenue by Vertical

For fiscal 2019, revenue from Communications was 41.2 % compared to 43.3% in previous year. Revenue from Manufacturing was 20.2 % in fiscal 2019 compared to 19.2% in fiscal 2018. Revenue from Technology, Media & Entertainment was 7.2% in fiscal 2019 compared to 6.5% in fiscal 2018. Revenue from Banking, financial services & insurance was 13.4% in fiscal 2019 compared to 13.7% in fiscal 2018. Revenue from Retail Transport & Logistics was 6.4% in fiscal 2019 compared to 6.8% in fiscal 2018. Revenue from Others

was 11.5% in fiscal 2019 compared to 10.6% in previous year.

## Consolidated Revenue by Segment

For fiscal 2019, 91.9% of revenue came from IT services, whereas 8.1% of revenue came from BPO services. The revenue share for fiscal 2018 from IT & BPO services was 92.8% & 7.2% respectively.

## 2. Other Income (Standalone)

Other income includes interest income, dividend income, foreign exchange gain/loss and net gain on disposal of assets.

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 ₹ 9,601 Million in fiscal 2019 compared to ₹ 17,280 Million in fiscal 2018. The decrease in other income was mainly due to lower foreign exchange gain in current fiscal year and gain on disposal of immovable property in last fiscal year.

## 3. Expenditure (Standalone)

| Particulars                  | Fiscal 2019    |                        | Fiscal 2018    |                        |
|------------------------------|----------------|------------------------|----------------|------------------------|
|                              | ₹ in Million   | % of Total expenditure | ₹ in Million   | % of Total expenditure |
| Personnel Cost               | 84,440         | 37.1%                  | 81,240         | 39.6%                  |
| Subcontracting Expenses      | 101,207        | 44.5%                  | 90,257         | 44.0%                  |
| Operating and Other Expenses | 34,859         | 15.3%                  | 26,432         | 12.9%                  |
| Depreciation                 | 6,587          | 2.9%                   | 6,563          | 3.2%                   |
| Finance Cost                 | 431            | 0.2%                   | 708            | 0.3%                   |
| <b>Total Expenses</b>        | <b>227,524</b> | <b>100.00%</b>         | <b>205,200</b> | <b>100.00%</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 due to 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.

**4. Profit before tax**

Profit before tax and exceptional item was ₹ 54,273 Million in fiscal 2019 compared to ₹ 49,002 Million in fiscal 2018. Profit before tax as a percentage of total revenue was 19.9% in fiscal 2019 compared to 20.7% in fiscal 2018.

**5. Income taxes**

The provision for income tax for the year ended 31<sup>st</sup> March 2019 was ₹ 10,469 Million as compared to ₹ 9,063 Million in the previous year. The effective tax rate in these years was 19.3% and 18.5% respectively.

**6. Profit after tax**

Profit after tax was ₹ 43,804 Million in fiscal 2019 as compared to ₹ 39,939 Million in fiscal 2018. Profit after tax as a percentage of revenue was 16.1% in fiscal 2019 and 16.9% in fiscal 2018.

**Consolidated PAT**

Consolidated PAT (owners of the company) for fiscal 2019 was ₹ 42,976 Million as compared to ₹ 37,998 Million last fiscal 2018. PAT as a percentage of revenue is 12.4% in fiscal 2019 & 12.3% in fiscal year 2018.

**C. CASH FLOW**

₹ in Million

| Particulars                                                  | Fiscal Year |          |
|--------------------------------------------------------------|-------------|----------|
|                                                              | 2019        | 2018     |
| Net cash flow from operating activities                      | 36,344      | 32,730   |
| Net cash flow from (used in) investing activities            | (15,425)    | (21,848) |
| Net cash flow from (used in) financing activities            | (20,359)    | (12,095) |
| Increase/(Decrease) in Cash and Cash Equivalents             | 560         | (1,213)  |
| Effect of exchange rate changes on cash and cash equivalents | 129         | 388      |
| Cash and cash equivalents at the beginning of the year       | 8,892       | 9,717    |
| Cash and cash equivalents at the end of the year             | 9,581       | 8,892    |

**D. In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key financial ratios.**

| Sr. No. | Key Financial Ratios*       | Fiscal 2019 | Fiscal 2018 |
|---------|-----------------------------|-------------|-------------|
| 1       | Debtors Turnover            | 3.6         | 3.7         |
| 2       | Inventory Turnover          | NA          | NA          |
| 3       | Interest Coverage Ratio     | 159.4       | 209.2       |
| 4       | Current Ratio               | 2.3         | 2.9         |
| 5       | Debt Equity Ratio           | 0.5         | 0.4         |
| 6       | Operating Profit Margin (%) | 20.1%       | 21.0%       |
| 7       | Net Profit Margin (%)       | 16.1%       | 16.9%       |
| 8       | Return on Net Worth         | 21.8%       | 21.9%       |

\* Ratios are based on standalone financials

As movements are not greater than 25%, they are not material.

**E. 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 package, which enhances the internal control mechanism. The Company also has a Chief Information Risk Officer (CIRO) and Chief Information Officer (CIO) for overseeing the Internal Control and Systems.

**F. 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 M saw a net addition of 8,275 professionals through campus recruitment, lateral hiring and acquisitions. The global headcount of the Company as on March 31, 2019 was 121,082 as compared to 112,807 as on March 31, 2018.

The IT attrition was 20.8% during the year as compared to 18.1% 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 22-2289-5500

**4. Website -**

[www.techmahindra.com](http://www.techmahindra.com)

**5. E-mail id-**

investor.relations@TechMahindra.com ;  
CorporateSustainability@TechMahindra.com

**6. Financial Year reported –**

April 01, 2018 - March 31, 2019

**7. Sector(s) that the Company is engaged in (industrial activity code-wise) -** 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 pages 72 in the Annual report

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

Refer to Management Discussion and Analysis Report on page no. 72 in the Annual report

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

**1. Paid up Capital (INR Mn) 4,917**

**2. Total Turnover (INR Mn) 272,196**

**3. Total profit after taxes (INR Mn) 43,804**

**4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) - 2%**

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

Refer Annexure X of Directors Report

### SECTION C: OTHER DETAILS

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

Yes. The Company has 155 Subsidiary companies as on 31<sup>st</sup> March 2019

**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 policies on Code of Conduct and Corporate Governance are followed across all Tech Mahindra Limited entities including the 30 wholly owned subsidiaries of Tech Mahindra Ltd.

**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, more than 60% of the entities that the company does business with participate in the BR initiatives of the Company. The Suppliers and vendors are important stakeholders of our company and we value our collaborations with them. We have a Supply Chain Management policy and 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 suppliers on the importance of human rights, labor laws, a sustainable supply chain 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.

## 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 00018234
2. Name – Mr. C. P. Gurnani
3. Designation - Managing Director & CEO

- (b) Details of the BR head

| NO. | PARTICULARS                | DETAILS                      |
|-----|----------------------------|------------------------------|
| 1   | DIN Number (if applicable) | NA                           |
| 2   | Name                       | Sandeep Chandna              |
| 3   | Designation                | Chief Sustainability Officer |
| 4   | Telephone number           | 9810314114                   |
| 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<br>Note 1                | Y                            | Y                             |
| 2.      | Has the policy been formulated in consultation with the relevant stakeholders?                                       | Y                           | Y                        | Y                          | Y                                  | Y                        | Y                                | Y                          | Y                            | 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<br>Note 2                 | Y<br>Note 2              | Y<br>Note 2                | Y<br>Note 2                        | Y<br>Note 2              | Y<br>Note 2                      | Y<br>Note 2                | Y<br>Note 2                  | Y<br>Note 2                   |

| 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 |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|--------------------------|----------------------------|------------------------------------|--------------------------|----------------------------------|----------------------------|------------------------------|-------------------------------|
| 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<br>Note 3                 | Y<br>Note 3              | Y<br>Note 3                | Y<br>Note 3                        | Y<br>Note 3              | Y<br>Note 3                      | Y<br>Note 3                | Y<br>Note 3                  | Y<br>Note 3                   |
| 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, the company is aligned to the Mahindra philosophy on policy advocacy*

*Note 2: As per the approval matrix of the company, policies are approved by the concerned Unit Heads.*

*Note 3: 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://techmahindrafoundation.org/csr-policy/>*

#### **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 3-6 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 Reports since 2013-14. The Reports as per the GRI framework are published annually 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 policy relating to ethics, bribery and corruption covers not only Tech Mahindra Limited, but extends beyond the company to our stakeholders too. The Company has well-defined policies on Anti-corruption and bribery as well as Code of Conduct, which extends to all stakeholders of the company (internal and

external) and 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 507 CEBC whistle blow complaints received during 2018-19. All whistle blows were redressed for investigation and suitable actions were taken wherever necessary.

### Principle 2

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

|   |                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Smart Cities – Smart Solutions              | Tech Mahindra has implemented multi-dimensional Smart Solutions for Jaipur Development Authority, Gandhinagar and Kanpur Smart Cities. Smart solutions like Intelligence Transport Management, Adaptive Traffic Control, Smart Waste management, Environment Sensors, Public announcement System, Emergency Call box and E-Governance applications have improved the efficiency of municipal services, enhanced the security of citizens and promoted a better quality of life. All these solutions are integrated to the ICCC (Integrated Command and Control Centre), which enables real time monitoring and helps in responding to day-to-day & emergency situations throughout the city seamlessly. These multidimensional projects have thus brought in Environmental Improvement, enhanced Social Infrastructure and encouraged Sustainable Development.                                                                                                                                                                                                      |
| 2 | Blockchain solution for Spam calls in India | Tech Mahindra has successfully deployed a cutting-edge solution leveraging Blockchain Technology for one of the leading telecom players in India, which has a base of 300Mn+ subscribers. The solution aims at mitigating the issue of unsolicited commercial communication (UCC) or spam calls and messages. We designed this holistic blockchain-based solution, for the Indian telecom sector, in compliance with the regulations and guidelines published by TRAI (Telecom Regulatory Authority of India) in Jul 2018. The solution enables the telecom providers prevent unauthorized access of their subscribers' data.                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 3 | Next Gen Emergency Management System        | Next Gen EMS is a holistic and comprehensive platform, which interlaces various next generation technologies to provide end-to-end flow of information and enable emergency response teams to provide high quality care without compromising on the speed of the care delivery. Next gen EMS solution disrupts the current native emergency response system, transforming it into an end-to-end platform, which enables emergency response organizations to deploy scalable and next gen technologies like mobile apps and unmanned aerial vehicles for improving the emergency responses. This disruption into a platform contributes to improved utilization of key resources like ambulances (ALS, BLS) and reduced response time through nullification of the impact of external environment variables on transit time. It also reduces the risk through instant establishment of communication medium for real time and seamless flow of information among various stakeholders (like ambulatory team, Hospitals, Specialists) of the emergency response team. |

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, our products are not resource intensive and hence reduction is negligible

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

Yes

**(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.

Our approach to sustainable sourcing is:

- a) Sourcing with the highest possible standards aligned with responsible business practices
- b) Raising awareness of sustainable sourcing with our key suppliers through workshops and webinars
- c) Assessment of vendors focusing on social, ethical and environmental aspects

90% of inputs are sourced sustainably. Specifications of CAPEX items are finalized by considering the vendor's sustainability aspects and they have to supply items with desired specifications. 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. This helps improve logistics and saves time, cost and emissions from unwanted transportation through longer routes.

We conduct supplier audits, which help us understand the potential risks within the Supply Chain from ESG perspective.

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

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 and assessment of risks associated with them, then the company will give preference to the local supplier or

small producer and procure goods locally. Most IT requirements are from Original Equipment Manufacturers (OEMs) procured globally and so they cannot be sourced locally. However, the company encourages sourcing of operational requirements and consumable services through local distributors and suppliers. This also helps us in better inventory, shorter lead-time and logistics control while reducing transportation emissions

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

Development of Local Vendors is a continuous process and their empanelment is done on a regular basis based on references, direct contacts and interactions with them. Tech Mahindra conducts capacity-training workshops for the suppliers touching upon topics such as Human rights and labor laws, the global trend in green supply chain and Anti-corruption. 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 we don't deal with product recycling as we do not manufacture products.

We have a robust waste management system of segregation at source, collection and management of both hazardous and non-hazardous waste. Scrap waste comprising of plastic, office waste, packaging and paper is given to vendors for recycling. The organic waste is converted into manure through the process of Vermicomposting or in the Organic Waste Composter at our major locations. Vermicomposting of wet waste has yielded 32.5 ton of manure that was used for landscaping.

The e-waste generated includes defunct computers, monitors and servers, electronic and electrical items and is disposed of for recycling through government-authorized certified vendors. FY 18-19 had 209.3 ton of E-waste sent for recycling through an authorized vendor.

Sewage Treatment Plants are set up at all major facilities to recycle and treat wastewater, which is reused for non-operational purposes like landscaping and for flushing in washrooms. More than 606461 kl of treated STP water helped in reducing fresh water withdrawal. We also have

rainwater harvesting plants and pits that help in charging more than 950 kl of ground water yearly.

## Principle 3

(These are the details of only TML)

1. Please indicate the Total number of employees. **103822**
2. Please indicate the Total number of employees hired on temporary/contractual basis. **19523**
3. Please indicate the Number of permanent women employees. **31900**
4. Please indicate the Number of permanent employees with disabilities **218**
5. **Do you have an employee association that is recognized by management?**

Tech Mahindra recognizes the right to freedom of association & encourages associates to connect, discuss ideas and raise issues through readily available internal tools and platforms. Although in India our associates are not part of any trade Unions, there are internal tools also, readily available to all associates to share their views, opinions and ideas across managerial levels and across the organization. Tech Mahindra follows the local rules and regulations in the country of our operations and adheres to these collective bargaining agreements in European countries where applicable.

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.**

| 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                                               | 0                                                        |
| 3   | Discriminatory Employment                         | 0                                                | 0                                                        |

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 **85.66%**
- (b) Permanent Women Employees **85.82%**
- (c) Casual/Temporary/Contractual Employees **56.64%**
- (d) Employees with Disabilities **95.69%**

## Principle 4

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

Yes

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

Yes

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 vision of Tech Mahindra Foundation (TMF) is 'Empowerment through Education'. Under this broad theme, TMF works with the disadvantaged community in each area of work including education and employability.

The Foundation's SMART (Skills for Market Training) employability programme is our flagship programme that trains & educates young men & women to create a skill-based cadre who could contribute to India's economic productive strength. The Foundation supports 100 SMART centres across 11 cities of India, training more than 19,000 youth annually and successfully plugging the demand and supply gap in multiple manufacturing and service industries.

Tech Mahindra SMART Academies cater to the skilling agenda that aims at creating a cadre of well-qualified, trained healthcare professionals through a number of paramedical diploma and certificate courses. The Foundation runs 3 SMART Academies for Healthcare in Delhi, Mohali, and Mumbai and 1 Digital Media Academy in Visakhapatnam. 1054 youth enrolled across all the 4 SMART Academies in 2018-19.

TMF works with Government Primary Schools by supporting initiatives that lead to sustainable transformation. The Education programme works with schools, teachers and the community to impart quality education and encourage holistic development to children from vulnerable communities, with a focus on improving learning outcomes.

The Foundation also works with children and youth with disabilities in the areas of education and skill development. Activities under the disability programme focus on the dignity and independence of persons with disabilities.

TMF strongly encourages volunteering activities to supplement its skilling and education programmes. In 2018-19, 31830 volunteers clocked 164278 hours in various activities.

Please refer to <http://techmahindrafoundation.org/> for further details.

#### 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, Prevention of Sexual Harassment and the Whistleblower policies along with the group Business Responsibility Policy cover all aspects on Human Rights for the Company and 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 have been no complaints on Human Rights received in the past financial year.

#### 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.**

The company has various policies related to environmental protection. The Supply Chain Management policy includes environment protection and covers suppliers. The Green procurement policy encourages suppliers to deliver products/services with minimal negative impact on environment. The Environment policy applies to all levels of the organization across Tech Mahindra facilities excluding Sales and Client Offices. The Company aims to help suppliers/contractors understand the importance of sustainable development as well as create a platform for all stakeholders to discuss their concerns and challenges.

Tech Mahindra policies are in sync with the Mahindra & Mahindra Group environmental policies. Our ideology of Environmental Sustainability is reflected in our rigor and strategic thinking across the organization. We believe that our operations should not adversely affect the future of our society, its ecological balance and life support functions.

- 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. Our approach towards reducing GHG (Green House Gas) emissions is to not only improve our energy efficiency but also increase our share of renewables.

Please refer to the details in the Sustainability Report on the below web-link: <http://www.techmahindra.com/company/Sustainability.aspx>

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

Yes, we have integrated multi-disciplinary company-wide risk identification, assessment, and management processes across our locations. At Tech Mahindra, Risk assessment is entrusted with the Enterprise Risk Management Team in conjunction with various business functions. The environment risks identified are on the below aspects

- Climate Change
- Weather-related
- Natural Disasters
- Water Quality and Security
- Occupational Health and Safety
- Brand Reputation
- Changing consumer behavior
- Technology and transition

- 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.**

We have various emission reduction initiatives taken across the organization to reduce emissions a) Installation of energy efficient equipment (motion sensors, LEDs, energy efficient laptops/servers), consolidation of operations to increase system efficiency, energy savings and better maintenance quality. (b) Increase in renewable energy share of the company operations through onsite installation and Open Access source. (c) Increase in virtual server infrastructure thus reducing dependency

on physical servers (d) Replacement of existing data centres with more efficient HVAC containment & airflow reduction systems and utilizing natural cooling techniques wherever possible. (e) Encouraging virtual meetings to reduce Business travel and logistics.

Please refer to the details in the Sustainability Reports on the below web-link: <http://www.techmahindra.com/company/Sustainability.aspx>.

**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.**

An approval for consent to Expansion of project and Environment clearance for one location is pending with MPCB & EC as on end of financial year.

## 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:**

Tech Mahindra is a member of the following major associations

- (a) National Association of Software and Services Companies (NASSCOM)
- (b) Confederation of Indian Industry (CII)
- (c) United Nations Global Compact (UNGC)

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

- (a) World Business council for Sustainable Development (WBCSD)
- (b) Global Reporting Initiative (GRI)

**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 collaborates with the Government and Industry bodies in the following areas

- Sustainability and climate change actions.
- Environmental degradation, climate change and inclusion.

- Transformation through policy advocacy, knowledge creation, knowledge dissemination and 'on-ground' model projects.
- Member of the Smart Grid Task Force which help accelerate the development of smart grid technologies in the Indian power sector.
- Workshops aimed to facilitate the development of best practice implementing a voluntary corporate carbon pricing program and report on GHG emissions considering GRI protocols.
- Collaboration with NITI Aayog and Smart City Development Corporation.

## 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 of Tech Mahindra are handled by 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 impacted more than 400,000 lives (since its inception). The Foundation has an inclusive approach wherein it supports disabled children and youth in its programmes. Through SMART+ and ARISE+ programmes, the Foundation helps persons with disabilities gain an education, earn an income and live independently.

Tech Mahindra volunteering activities are carried out directly by our associates with the help and support of our partner NGOs. The Foundation strongly encourages volunteering activities to inculcate our associates with the right attitude towards individual social responsibility while also furthering the TMF skilling and education programmes. In 2018-19, 31830 volunteers clocked 164278 hours under various activities.

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?**

Tech Mahindra Foundation implements its projects in direct mode (Direct Implementation Projects) as well as through partner NGOs (Partner Implementation Projects). There are also some projects done in collaboration with government organizations.

- a) Direct Implementation Projects for Tech Mahindra Foundation  
Mahindra Educational Institutions (MEI); Tech Mahindra SMART Academy for Healthcare, New Delhi, Mohali and Mumbai; Tech Mahindra SMART Academy for Digital Media, Visakhapatnam.
- b) Partner Implementation Projects of Tech Mahindra Foundation  
SMART, SMART+, ARISE and ARISE+ programmes are implemented in partnership with NGO partners across 11 locations in India.
- c) Projects with Government organizations: Shikshaantar (an educator capacity building programme) is implemented directly in New Delhi, Mumbai, Thane and Pune in partnership with their respective State Municipal Corporations.

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

Yes. The Employability (SMART) programme has been assessed by KPMG; the In-Service Teacher Education Institute (ITEI) by Kantar Public and Grant Thornton conducted a 10-year impact study of Tech Mahindra Foundation's work.

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

Tech Mahindra Foundation spent INR 65.59 crore on its Education and Employability programmes during this financial year. Please refer to <http://techmahindrafoundation.org/> for details of our CSR projects.

The spend on Technical Education by Mahindra Educational Institutions is INR 24.77 crore.

**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.**

Community involvement is one of the key elements in the design of our CSR programmes. The community is involved at multiple stages from inception to implementation of programmes. The SMART programme (Skills for Market Training) along with the SMART Academies provide employability skills to young

people from vulnerable urban communities. They, in turn, become advocates for skilling among their peers and communities. ARISE and ARISE+ also include elements of community outreach, awareness, and mobilisation.

**Principle 9**

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

For FY-2018-19, 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 stakeholder 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.

# **Standalone Financial Statements**

Tech  
Mahindra

## INDEPENDENT AUDITORS' REPORT

To the Members of Tech Mahindra Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of Tech Mahindra Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2019, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("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 31 March 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of matter

We draw attention to note 35 (B) of the standalone financial statements, which describes in detail, certain matters relating to erstwhile Satyam Computer Services Limited ("erstwhile Satyam"), amalgamated with the Company with effect from 1 April 2011. The Company's management on the basis of current legal status and external legal opinion, has concluded that claims made by 37 companies in the City Civil Court, for alleged advances amounting to ₹ 12,304 million, to erstwhile Satyam and presented separately under 'Suspense account (net)' will not sustain on ultimate resolution by the Court as explained in the aforesaid note.

Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| The key audit matter                                                                                                                                                                                                                                                                                                                                                                   | How the matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Revenue recognition – Fixed price development contracts</b><br>The Company engages in fixed price development contracts, wherein revenue is recognized using the percentage of completion method based on management's estimate of contract efforts. These contracts may also involve recognizing onerous obligations that require critical estimates to be made by the management. | <b>Our audit procedures included:</b> <ul style="list-style-type: none"> <li>Obtained an understanding of the systems, processes and controls implemented by the Company for calculating and recording revenue and the associated contract assets and liabilities.</li> <li>Evaluated the design and operating effectiveness of internal controls relating to recording of the contract value, efforts incurred and process around estimation of efforts required to complete the performance obligations.</li> <li>On selected sample of contracts, tested revenue recognition, and our procedures included:</li> </ul> |

| The key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | How the matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Further, the new revenue standard – Ind AS 115 “Revenue from contracts with customers” which became applicable from 1 April 2018, establishes a comprehensive framework for recognition of revenue and involves making judgements and estimates, which affect the accounting for such contracts.</p> <p>(Refer notes 2.3 (i), 2.8 and 44 to the standalone financial statements)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <ul style="list-style-type: none"> <li>- evaluating the identification of performance obligations;</li> <li>- considering the terms of the contracts to determine the transaction price; and</li> <li>- testing Company’s calculation of efforts incurred, estimation of contract efforts including estimation of onerous obligation, through a retrospective review of efforts incurred with estimated efforts.</li> </ul> <ul style="list-style-type: none"> <li>• Tested aged contract assets to assess possible delays in achieving milestones, which may require a change in estimated efforts to complete the remaining performance obligations.</li> <li>• Performed analytical procedures over revenue and receivables.</li> </ul>                                                                                                                                                                                                                                                                           |
| <p><b>Evaluation of uncertain tax position:</b></p> <p>The Company operates in multiple global jurisdictions which require it to estimate its income tax liabilities according to the tax laws of the respective tax jurisdiction. Further, there are matters of interpretation in terms of application of tax laws and rules to determine current tax provision and deferred taxes.</p> <p>The Company’s tax positions are challenged by the tax authorities on a range of tax matters including corporate tax and transfer pricing. The Company has uncertain tax positions including erstwhile Satyam tax litigations.</p> <p>This requires the management to make significant judgements to determine the possible outcome of uncertain tax positions and consequently has an impact on related accounting and disclosures in the financial statements.</p> <p>Refer notes 2.3 (ii), 2.12, and 30.4 to the standalone financial statements.</p> | <p><b>Our audit procedures included:</b></p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the key uncertain tax positions.</li> <li>• Obtained a list of updates to tax assessments and tax litigations during the year, including management’s assessment of the impact of these updates on the uncertain tax positions and assessment of possible outcomes. As a part of this procedure, we also considered external legal opinions and consultations made by the Company for key uncertain tax positions.</li> <li>• Involved our tax experts to test the current tax provisions, inspect key correspondence and considered legal precedence and other tax rulings in evaluating the management’s assessment of uncertain tax positions.</li> <li>• Assessed Company’s estimates of the possible outcome of the disputed cases, including erstwhile Satyam tax litigations.</li> <li>• Evaluated the key assumptions in estimating current tax provisions and deferred taxes.</li> </ul> |

#### Information other than the Standalone Financial Statements and Auditors’ Report Thereon (“Other Information”)

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the standalone financial statements and our auditors’ report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management’s Responsibility for the Standalone Financial Statements

The Company’s management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows

of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(A) 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows 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 Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) 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 as at 31 March 2019 on its financial position in its standalone financial statements - Refer Note 30 to the standalone 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 - Refer Note 24 to the standalone financial statements; and
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(C) With respect to the matter to be included in the Auditor's Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's registration No: 101248W/W-100022

## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2019

With reference to the Annexure referred to in paragraph 1 in "Report on Other Legal and Regulatory Requirements" of the Independent Auditors' Report to the Members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets, by which its fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds of immovable properties/lease agreements in respect of immovable properties taken on lease, are held in the name of the Company, except for the following:

| Particulars of immoveable property                                                                                                                                            | Gross Block at 31 March 2019<br>(INR Million) | Net Block at 31 March 2019<br>(INR Million) | Remarks                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Freehold land located at Bahadurpally, Survey No. 62/1A, Qutubullapur Mandal, Bahadurpally Village, District- Ranga Reddy, Hyderabad – 500043 measuring 581,711 square meters | 190                                           | 190                                         | As per the information and explanations provided to us, after payment of the stamp duty to the Registrar of the State of Andhra Pradesh, the state split into Andhra Pradesh and Telangana, due to which the jurisdiction of the registration office has changed. The final demand has not crystallized and the Andhra Pradesh High Court order is not adjudicated. |
| 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 meters                          | 470                                           | 429                                         | As per the information given to us, the Company has not yet received the adjudication certificate. Mutation proceedings will be initiated after the adjudication certificate is received from the authority.                                                                                                                                                        |
| Leasehold land located at Plot No. S - 1, Maitree Vihar Road, Chandrasekharpur, Bhubaneswar-751023, admeasuring 55,600 square meters                                          | 5                                             | 4                                           | As per the information given to us, the General Administration Department of Government of Odisha has not yet issued the letter communicating the transfer fees to be paid by the Company. On such payment, the property will be registered in the revenue records.                                                                                                 |

- (ii) The Company is a service company primarily engaged in providing information technology and related services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3 (ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, 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, paragraph 3 (iii) (a), (b) and (c) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, based on a legal opinion obtained by management, the Company has complied with the provisions of sections 185 and 186 of the Companies Act 2013 in respect of loans, investments, guarantees and security.
- (v) As per the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of sections 73 to 76 of the Act and the rules made thereunder. Accordingly, the provisions of paragraph 3(v) of the Order are not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148 of the Act, for any of the services rendered by the Company. Accordingly paragraph 3(vi) of the order is not applicable.

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Cess, Goods and Services Tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Cess, Goods and Services Tax and other material statutory dues were in arrears as at 31 March 2019, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income Tax, Service Tax, Sales Tax, Value Added Tax, Duty of Customs and Goods and Services Tax which have not been deposited by the Company on account of any disputes except for the following:

| Name of the Statute                                       | Nature of Dues                    | Gross amount<br>₹ million* | Amount paid under protest<br>₹ million | Period to which the amount relates | Forum where the dispute is pending                  |
|-----------------------------------------------------------|-----------------------------------|----------------------------|----------------------------------------|------------------------------------|-----------------------------------------------------|
| Income Tax Act, 1961                                      | Income Tax                        | 40                         | -                                      | 2004-2005                          | Supreme Court                                       |
| Income Tax Act, 1961                                      | Income Tax                        | 5,970                      | -                                      | 2002-2003 to 2007-2008             | High Court **                                       |
| Income Tax Act, 1961                                      | Income Tax                        | 2,967                      | -                                      | 2003-2004 to 2011-2012             | Income Tax Appellate Tribunal                       |
| Income Tax Act, 1961                                      | Income Tax                        | 61                         | -                                      | 2005-2006 to 2014-2015             | Commissioner of Income Tax (Appeals)                |
| Income Tax Act, 1961                                      | Income Tax                        | 92                         | -                                      | 2002-2003 to 2010-2011             | Assessing Officer #                                 |
| Finance Act, 1994                                         | Service Tax                       | 12                         | -                                      | 2003-2004 to 2006-07               | Commissioner of Central Excise                      |
| Finance Act, 1994                                         | Service Tax                       | 4,952                      | 170                                    | 2004-2005 to 2015-2016             | Customs Excise & Service Tax Appellate Tribunal     |
| Finance Act, 1994                                         | Service Tax                       | 12,977                     | 224                                    | 2004-2005 to 2015-2016             | Supreme Court                                       |
| Andhra Pradesh VAT Act, 2005/ Central Sales Tax Act, 1956 | Value Added Tax/ Sales Tax        | 232                        | 83                                     | 2008-2009 to 2010-2011             | High Court                                          |
| Maharashtra Value Added Tax Act, 2002                     | Value Added Tax                   | 8                          | -                                      | 2008-2009 to 2013-2014             | Joint Commissioner of Sales Tax (Appeals)           |
| Central Sales Tax Act, 1956                               | Central Sales Tax (Uttar Pradesh) | 3                          | 3                                      | 2008-2009                          | Additional Commissioner of Commercial Tax (Appeals) |
| Central Sales Tax Act, 1956                               | Central Sales Tax (Gujarat)       | 12                         | 7                                      | 2006-2007 to 2008-2009             | Deputy Commissioner of Commercial Tax (Appeals)     |
| Andhra Pradesh Value Added Tax Act, 2005                  | Value Added Tax                   | 1                          | 1                                      | 2007-2008, 2009- 2010 to 2010-2011 | Sales Tax Appellate Tribunal                        |
| The Customs Act, 1962                                     | Custom Duty                       | 1                          | 1                                      | 1996-1997                          | Customs Excise & Service Tax Appellate Tribunal     |
| Goods and Service tax, 2017                               | Goods and service tax             | 21                         | 16                                     | July 2017 – December 2017          | Assistant Commissioner                              |
| Sales and Use tax Act                                     | Sales and Use tax                 | 947                        | -                                      | 2005 – 2009                        | New Jersey division of taxation                     |
| Business and Occupation tax                               | Business and Occupation tax       | 124                        | -                                      | 2012 - 2017                        | Washington Division of Taxation                     |
| Ghana – Internal Revenue Act 2000 and Income Tax Act 2015 | Income Tax / Withholding Tax      | 138                        | 114                                    | April 2013 to March 2015           | Commissioner General                                |

| Name of the Statute              | Nature of Dues                     | Gross amount<br>₹ million* | Amount paid under protest<br>₹ million | Period to which the amount relates | Forum where the dispute is pending             |
|----------------------------------|------------------------------------|----------------------------|----------------------------------------|------------------------------------|------------------------------------------------|
| Tax Code – Gabon                 | VAT and Income-tax                 | 42                         | 6                                      | Jan 2013 to Dec 2015               | Director General of Taxation                   |
| Tanzania Revenue Authority       | VAT / Income tax / Withholding tax | 86                         | 9                                      | 2013 and 2014                      | Regional Manager of Tanzania Revenue Authority |
| Saudi Arabia – General Authority | Withholding tax                    | 74                         | 7                                      | 2007-2009                          | Manager at General Authority of Zakat and Tax  |
| Uganda tax                       | VAT and Withholding tax            | 104                        | -                                      | 2013 - 2018                        | Uganda Revenue Authority                       |

\* Income tax demands are after set-off against carry forward losses of earlier years.

\*\* The above excludes Income-tax Draft Notices of Demand amounting to ₹ 7,952 Million and ₹ 9,637 Million for financial years 2001-2002 and 2006-2007 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.

# The Company is not aware whether the Department has filed an appeal against the same.

- (viii) In our opinion and according to the information and explanations given to us, the Company did not have any outstanding dues to any bank, government or financial institutions or any debenture holders during the year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us, no fraud by the Company or 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 explanation given to us and based on our examination of the records of the Company, the Company has paid/ provided managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with related parties are in compliance with sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partially convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934.

**For B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

Place: Mumbai  
Date: 21 May 2019

**Jamil Khatri**  
Partner  
Membership No: 102527

## **ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF TECH MAHINDRA LIMITED FOR THE YEAR ENDED 31 MARCH 2019**

**Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013**

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

### **Opinion**

We have audited the internal financial controls with reference to financial statements of Tech Mahindra Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

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

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Companies Act, 2013 (hereinafter referred to as "the Act").

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 auditors' judgement, including the assessment of the risks of material misstatement of the standalone 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 with reference to financial statements.

### **Meaning of Internal Financial controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For B S R & Co. LLP**  
*Chartered Accountants*  
Firm's registration No: 101248W/W-100022

Place: Mumbai  
Date: 21 May 2019

**Jamil Khatri**  
*Partner*  
Membership No. 102527

**BALANCE SHEET AS AT MARCH 31, 2019**

|                                                                          | Note No. | As at<br>March 31, 2019 | ₹ in Million<br>As at<br>March 31, 2018 |
|--------------------------------------------------------------------------|----------|-------------------------|-----------------------------------------|
| <b>ASSETS</b>                                                            |          |                         |                                         |
| <b>Non-Current Assets</b>                                                |          |                         |                                         |
| (a) Property, Plant and Equipment                                        | 3        | 19,019                  | 22,380                                  |
| (b) Capital Work-in-Progress                                             |          | 2,713                   | 2,354                                   |
| (c) Investment Property                                                  | 4        | 1,141                   | 1,289                                   |
| (d) Intangible Assets                                                    | 5        | 7,695                   | 8,636                                   |
| (e) Financial Assets                                                     |          |                         |                                         |
| (i) Investments                                                          | 6        | 66,287                  | 68,650                                  |
| (ii) Trade Receivables                                                   | 7        | -                       | -                                       |
| (iii) Other Financial Assets                                             | 8        | 4,559                   | 2,135                                   |
| (f) Advance Income Taxes (Net of provisions)                             |          | 17,093                  | 12,573                                  |
| (g) Deferred Tax Assets (Net)                                            |          | 2,182                   | 2,753                                   |
| (h) Other Non-Current Assets                                             | 9        | 3,538                   | 3,817                                   |
| <b>Total Non - Current Assets</b>                                        |          | <b>124,227</b>          | <b>124,587</b>                          |
| <b>Current Assets</b>                                                    |          |                         |                                         |
| (a) Financial Assets                                                     |          |                         |                                         |
| (i) Investments                                                          | 10       | 63,320                  | 33,931                                  |
| (ii) Trade Receivables                                                   | 11       | 59,633                  | 51,010                                  |
| (iii) Cash and Cash Equivalents                                          | 12       | 9,581                   | 8,892                                   |
| (iv) Other Balances with Banks                                           | 13       | 2,504                   | 10,411                                  |
| (v) Loans                                                                | 14       | 68                      | 2,009                                   |
| (vi) Other Financial Assets                                              | 15       | 25,056                  | 22,352                                  |
| (b) Other Current Assets                                                 | 16       | 19,007                  | 15,112                                  |
| <b>Total Current Assets</b>                                              |          | <b>179,169</b>          | <b>143,717</b>                          |
| <b>Total Assets</b>                                                      |          | <b>303,396</b>          | <b>268,304</b>                          |
| <b>EQUITY AND LIABILITIES</b>                                            |          |                         |                                         |
| <b>Equity</b>                                                            |          |                         |                                         |
| (a) Equity Share Capital                                                 | 17       | 4,917                   | 4,897                                   |
| (b) Other Equity                                                         | 18       | 201,557                 | 190,451                                 |
| <b>Total Equity</b>                                                      |          | <b>206,474</b>          | <b>195,348</b>                          |
| <b>Liabilities</b>                                                       |          |                         |                                         |
| <b>Non-current liabilities</b>                                           |          |                         |                                         |
| (a) Financial Liabilities                                                |          |                         |                                         |
| (i) Borrowings                                                           | 19       | 43                      | 1,450                                   |
| (ii) Other Financial Liabilities                                         | 20       | 2,032                   | 4,612                                   |
| (b) Provisions                                                           | 21       | 4,100                   | 3,954                                   |
| <b>Total Non - Current Liabilities</b>                                   |          | <b>6,175</b>            | <b>10,016</b>                           |
| <b>Current liabilities</b>                                               |          |                         |                                         |
| (a) Financial Liabilities                                                |          |                         |                                         |
| (i) Trade Payables                                                       |          |                         |                                         |
| (1) Dues of micro enterprises and small enterprises                      |          | 18                      | 22                                      |
| (2) Dues of creditors other than micro enterprises and small enterprises |          | 28,862                  | 20,657                                  |
| (ii) Other Financial Liabilities                                         | 22       | 27,155                  | 10,490                                  |
| (b) Other Current Liabilities                                            | 23       | 12,110                  | 10,240                                  |
| (c) Provisions                                                           | 24       | 1,997                   | 2,390                                   |
| (d) Current Tax Liabilities (Net of advance income taxes)                |          | 8,301                   | 6,837                                   |
| <b>Total Current Liabilities</b>                                         |          | <b>78,443</b>           | <b>50,636</b>                           |
| <b>Suspense Account (Net)</b>                                            | 35       | <b>12,304</b>           | <b>12,304</b>                           |
| <b>Total Equity and Liabilities and Suspense Account</b>                 |          | <b>303,396</b>          | <b>268,304</b>                          |
| See accompanying notes forming part of the financial statements          |          |                         |                                         |
|                                                                          | 1 to 52  |                         |                                         |

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration No.101248W/W-100022

For **Tech Mahindra Limited****Jamil Khatri**

Partner

Membership No.102527

**Anand G. Mahindra**

Chairman

**Anupam Puri**

Director

**V S Parthasarathy**

Director

**Ulhas N. Yargop**

Director

**Manoj Bhat**

Chief Financial Officer

**C. P. Gurnani**

Managing Director &amp; CEO

**M. Damodaran**

Director

**Ravindra Kulkarni**

Director

**Mukti Khaire**

Director

**M. Rajyalakshmi Rao**

Director

**T. N. Manoharan**

Director

**Anil Khatri**

Company Secretary

Mumbai, India, May 21, 2019

Mumbai, India, May 21, 2019

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

|                                                                                                                |          | ₹ in Million except Earnings per share |                              |
|----------------------------------------------------------------------------------------------------------------|----------|----------------------------------------|------------------------------|
| Statement of Profit and Loss for the                                                                           | Note No. | Year ended<br>March 31, 2019           | Year ended<br>March 31, 2018 |
| I Revenue from Operations                                                                                      |          | 272,196                                | 236,922                      |
| II Other Income                                                                                                | 25       | 9,601                                  | 17,280                       |
| III Total Income (I +II)                                                                                       |          | 281,797                                | 254,202                      |
| IV EXPENSES                                                                                                    |          |                                        |                              |
| Employee Benefit Expenses                                                                                      | 26       | 84,440                                 | 81,240                       |
| Subcontracting Expenses                                                                                        |          | 101,207                                | 90,257                       |
| Finance Costs                                                                                                  | 27       | 431                                    | 708                          |
| Depreciation and Amortisation Expense                                                                          | 28       | 6,587                                  | 6,563                        |
| Other Expenses                                                                                                 | 29       | 34,859                                 | 26,432                       |
| Total Expenses                                                                                                 |          | 227,524                                | 205,200                      |
| V Profit before Income Tax (III-IV)                                                                            |          | 54,273                                 | 49,002                       |
| VI Less: Income Tax Expense                                                                                    |          |                                        |                              |
| Current Tax                                                                                                    |          | 10,652                                 | 9,308                        |
| Deferred Tax                                                                                                   |          | (183)                                  | (245)                        |
| Total Tax Expense                                                                                              |          | 10,469                                 | 9,063                        |
| VII Profit after tax (V-VI)                                                                                    |          | 43,804                                 | 39,939                       |
| VIII Other Comprehensive Income                                                                                |          |                                        |                              |
| A I. Items that will not be reclassified to Profit or Loss                                                     |          |                                        |                              |
| (a) Remeasurements of the Defined Benefit Liabilities - gain / (loss)                                          |          | 12                                     | 196                          |
| (b) Equity Instruments through Other Comprehensive Income - gain / (loss)                                      |          | (101)                                  | (209)                        |
| II. Income Tax relating to items that will not be reclassified to Profit or Loss                               |          | (4)                                    | (68)                         |
| B I. Items that will be subsequently reclassified to Profit or Loss                                            |          |                                        |                              |
| (a) Effective portion of gain / (loss) on Designated Portion of Hedging Instruments in a Cash Flow Hedge (net) |          | 2,513                                  | (6,440)                      |
| II. Income Tax relating to items that will be reclassified to Profit or Loss                                   |          | (750)                                  | 2,325                        |
| Total Other Comprehensive Income / (Loss) (A+B)                                                                |          | 1,670                                  | (4,196)                      |
| IX Total Comprehensive Income (VII + VIII)                                                                     |          | 45,474                                 | 35,743                       |
| Earnings per Equity Share (Face Value ₹ 5) in ₹                                                                | 51       |                                        |                              |
| Basic                                                                                                          |          | 44.58                                  | 40.79                        |
| Diluted                                                                                                        |          | 43.93                                  | 40.48                        |
| See accompanying notes forming part of the financial statements                                                |          | 1 to 52                                |                              |

As per our report of even date attached  
For **B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No.101248W/W-100022

**Jamil Khatri**  
Partner  
Membership No.102527

**Anand G. Mahindra**  
Chairman  
**Anupam Puri**  
Director  
**V S Parthasarathy**  
Director  
**Ulhas N. Yargop**  
Director  
**Manoj Bhat**  
Chief Financial Officer

**C. P. Gurnani**  
Managing Director & CEO  
**M. Damodaran**  
Director  
**Ravindra Kulkarni**  
Director  
**Mukti Khaire**  
Director

**M. Rajyalakshmi Rao**  
Director  
**T. N. Manoharan**  
Director

**Anil Khatri**  
Company Secretary

Mumbai, India, May 21, 2019

Mumbai, India, May 21, 2019

## STATEMENTS OF CHANGES IN EQUITY

## A. Equity Share Capital

|                             | ₹ in Million                                      |                              |
|-----------------------------|---------------------------------------------------|------------------------------|
|                             | Changes in equity share capital during the period | Balance as at March 31, 2018 |
| Balance as of April 1, 2017 | 4,868                                             | 4,897                        |
| Balance as of April 1, 2018 | 29                                                |                              |
| Balance as of April 1, 2018 | Changes in equity share capital during the period | Balance as at March 31, 2019 |
| 4,897                       | 20                                                | 4,917                        |

## B. Other Equity

| Particulars                                                                 | Share Application Money pending Allotment | Reserves and Surplus |                    |                                  |                                            | Items of other comprehensive income |                           |                                                       | Total    |
|-----------------------------------------------------------------------------|-------------------------------------------|----------------------|--------------------|----------------------------------|--------------------------------------------|-------------------------------------|---------------------------|-------------------------------------------------------|----------|
|                                                                             |                                           | Capital reserve      | Securities Premium | Share Option Outstanding Account | Special Economic Zone reinvestment Reserve | Retained Earnings                   | Cash Flow Hedging Reserve | Equity Instruments through Other Comprehensive Income |          |
| Balance as at April 1, 2017, as reported                                    |                                           |                      |                    |                                  |                                            |                                     |                           |                                                       |          |
| - On account of business combination under common control (refer note 33)   | 19                                        | 60                   | 32,990             | 5,430                            | -                                          | 120,789                             | 4,765                     | (19)                                                  | 164,034  |
| Balance as at 1 April 2017                                                  | 19                                        | 60                   | 32,990             | 5,430                            | -                                          | 120,813                             | 4,765                     | (19)                                                  | 164,058  |
| Profit for the period                                                       | -                                         | -                    | -                  | -                                | -                                          | 39,939                              | -                         | -                                                     | 39,939   |
| Other Comprehensive Income (net of tax)                                     | -                                         | -                    | -                  | -                                | -                                          | 128                                 | (4,115)                   | (209)                                                 | (4,196)  |
| Total Comprehensive Income                                                  | -                                         | -                    | -                  | -                                | -                                          | 40,067                              | (4,115)                   | (209)                                                 | 35,743   |
| Transfer to Special Economic Zone re-investment Reserve                     | -                                         | -                    | -                  | -                                | 42                                         | (42)                                | -                         | -                                                     | -        |
| Transfer on allotment of Equity Shares                                      | (247)                                     | -                    | 219                | -                                | -                                          | -                                   | -                         | -                                                     | (28)     |
| Received on exercise of Stock options                                       | 252                                       | -                    | -                  | -                                | -                                          | -                                   | -                         | -                                                     | 252      |
| Share Based Payments to Employees (net)                                     | -                                         | -                    | -                  | 811                              | -                                          | -                                   | -                         | -                                                     | 811      |
| Dividend (including Tax on Dividend)                                        | -                                         | -                    | -                  | (51)                             | -                                          | (10,361)                            | -                         | -                                                     | (10,361) |
| Transfer to retained earnings on account of options lapsed                  | -                                         | -                    | -                  | -                                | -                                          | 51                                  | -                         | -                                                     | -        |
| Transfer from share option outstanding account on exercise of stock options | -                                         | -                    | 2,168              | (2,168)                          | -                                          | -                                   | -                         | -                                                     | -        |
| Refunded during the period                                                  | (1)                                       | -                    | -                  | -                                | -                                          | -                                   | -                         | -                                                     | (1)      |
| Others (refer note 33)                                                      | -                                         | 0                    | 10                 | -                                | -                                          | (33)                                | -                         | -                                                     | (23)     |
| Balance as at March 31, 2018                                                | 23                                        | 60                   | 35,387             | 4,022                            | 42                                         | 150,495                             | 650                       | (228)                                                 | 190,451  |

| Particulars                                                                 | Share Application Money pending Allotment | Reserves and Surplus |                    |                                  |                                            |                   | Items of other comprehensive income |                                                       | Total    |
|-----------------------------------------------------------------------------|-------------------------------------------|----------------------|--------------------|----------------------------------|--------------------------------------------|-------------------|-------------------------------------|-------------------------------------------------------|----------|
|                                                                             |                                           | Capital reserve      | Securities Premium | Share Option Outstanding Account | Special Economic Zone reinvestment Reserve | Retained Earnings | Cash Flow Hedging Reserve           | Equity Instruments through Other Comprehensive Income |          |
| Balance as at April 1, 2018                                                 | 23                                        | 60                   | 35,387             | 4,022                            | 42                                         | 150,495           | 650                                 | (228)                                                 | 190,451  |
| Profit for the period                                                       | -                                         | -                    | -                  | -                                | -                                          | 43,804            | -                                   | -                                                     | 43,804   |
| Other Comprehensive Income (net of tax)                                     | -                                         | -                    | -                  | -                                | -                                          | 8                 | 1,763                               | (101)                                                 | 1,670    |
| Total Comprehensive income                                                  | -                                         | -                    | -                  | -                                | -                                          | 43,812            | 1,763                               | (101)                                                 | 45,474   |
| Transfer to Special Economic Zone re-investment Reserve                     | -                                         | -                    | -                  | -                                | 8,160                                      | (8,160)           | -                                   | -                                                     | -        |
| Transfer from Special Economic Zone re-investment Reserve on utilisation    | -                                         | -                    | -                  | -                                | (2,232)                                    | 2,232             | -                                   | -                                                     | -        |
| Contractual obligation for Buyback (refer note 17(vi))                      | -                                         | -                    | (19,453)           | -                                | -                                          | (103)             | -                                   | -                                                     | (19,556) |
| Transfer on allotment of Equity Shares                                      | (361)                                     | -                    | 343                | -                                | -                                          | -                 | -                                   | -                                                     | (18)     |
| Received on exercise of Stock options                                       | 366                                       | -                    | -                  | -                                | -                                          | -                 | -                                   | -                                                     | 366      |
| Share Based Payments to Employees (net)                                     | -                                         | -                    | -                  | 1,234                            | -                                          | -                 | -                                   | -                                                     | 1,234    |
| Dividend (including Tax on Dividend)                                        | -                                         | -                    | -                  | -                                | -                                          | (16,411)          | -                                   | -                                                     | (16,411) |
| Transfer to retained earnings on account of lapsed options                  | -                                         | -                    | -                  | (62)                             | -                                          | 62                | -                                   | -                                                     | -        |
| Transfer from share option outstanding account on exercise of stock options | -                                         | -                    | 1,262              | (1,262)                          | -                                          | -                 | -                                   | -                                                     | -        |
| Refunded during the period                                                  | (8)                                       | -                    | -                  | -                                | -                                          | -                 | -                                   | -                                                     | (8)      |
| Others                                                                      | -                                         | -                    | 2                  | -                                | -                                          | 23                | -                                   | -                                                     | 25       |
| Balance as at March 31, 2019                                                | 20                                        | 60                   | 17,541             | 3,932                            | 5,970                                      | 171,950           | 2,413                               | (329)                                                 | 201,557  |

**Share Application Money pending Allotment:**

Money received as advance towards allotment of share capital is recorded as share application money pending allotment.

**Capital Reserve :**

Capital Reserve has been created pursuant to scheme of amalgamation of entities with Tech Mahindra Limited, as approved by the Courts.

**Securities Premium :**

Securities premium reserve is used to record the premium on issue of shares. The fair value of employee stock options is recognised in Securities Premium once the shares have been allotted on exercise of the options.

**Share Option Outstanding Account :**

It represents the fair value of services received against employees stock options outstanding as at balance sheet date.

**Special Economic Zone reinvestment Reserve :**

The Special Economic Zone reinvestment reserve has been created out of the profits of eligible SEZ units in terms of the provisions of section

10AA(1)(ii) of the Income-tax Act, 1961. The reserve needs to be utilised by the Company for acquiring new plant and machinery for the purpose of its business in the terms of section 10AA(2) of the Income-tax Act, 1961.

#### **Retained Earnings:**

Retained earnings represents the undistributed profits of the Company accumulated as on Balance Sheet date.

#### **Cash Flow Hedging Reserve :**

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged transaction occurs.

#### **Equity Instruments through Other Comprehensive Income:**

It represents gain/loss earned on investment in equity instruments valued at fair value through other comprehensive income.

See accompanying notes forming part of the financial statements

As per our report of even date attached

**For B S R & Co. LLP**

*Chartered Accountants*

Firm Registration No.101248W/W-100022

**Jamil Khatri**  
*Partner*

Membership No.102527

**Anand G. Mahindra**  
*Chairman*

**Anupam Puri**  
*Director*

**V S Parthasarathy**  
*Director*

**Ulhas N. Yargop**  
*Director*

**Manoj Bhat**  
*Chief Financial Officer*

Mumbai, India, May 21, 2019

#### **For Tech Mahindra Limited**

**C. P. Gurnani**  
*Managing Director & CEO*

**M. Damodaran**  
*Director*

**Ravindra Kulkarni**  
*Director*

**Mukti Khaire**  
*Director*

**M. Rajyalakshmi Rao**  
*Director*

**T. N. Manoharan**  
*Director*

**Anil Khatri**  
*Company Secretary*

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

|                                                                                                          |                              | ₹ in Million                 |
|----------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| Cash Flow Statement for the                                                                              | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
| <b>A Cash Flow from Operating Activities</b>                                                             |                              |                              |
| Profit before Income Tax                                                                                 | 54,273                       | 49,002                       |
| Adjustments for :                                                                                        |                              |                              |
| Depreciation and Amortization Expense                                                                    | 6,587                        | 6,563                        |
| Allowances / (Reversal) for Doubtful Receivables / Advances and Deposits and Bad Debts written off (net) | 1,410                        | (46)                         |
| Net gain on disposal of Property, Plant and Equipment, Intangible Assets and Investment property         | (149)                        | (1,570)                      |
| Finance Costs                                                                                            | 431                          | 708                          |
| Unrealized Exchange Loss / (gain) (net)                                                                  | (636)                        | (409)                        |
| Share Based Payments to Employees                                                                        | 1,091                        | 713                          |
| Provision for impairment of non-current investments                                                      | 1,029                        | 330                          |
| Interest Income                                                                                          | (1,959)                      | (1,369)                      |
| Rental Income                                                                                            | (296)                        | (256)                        |
| Dividend Income on Investments / Distributions from benefit trust                                        | (2,689)                      | (4,829)                      |
| Profit on sale of Investments (net)                                                                      | (667)                        | (450)                        |
| Unrealised (gain) / loss on fair valuation of investments through P&L                                    | (1,545)                      | (788)                        |
|                                                                                                          | 56,880                       | 47,599                       |
| Changes in working capital :                                                                             |                              |                              |
| Trade Receivables and Other Assets                                                                       | (15,190)                     | (3,448)                      |
| Trade Payables, Other Liabilities and Provisions                                                         | 8,362                        | 77                           |
|                                                                                                          | (6,828)                      | (3,371)                      |
| Cash generated from operating activities before taxes                                                    | 50,052                       | 44,228                       |
| Income taxes paid, net                                                                                   | (13,708)                     | (11,498)                     |
| <b>Net cash generated from operating activities (A)</b>                                                  | <b>36,344</b>                | <b>32,730</b>                |
| <b>B Cash Flow from Investing Activities</b>                                                             |                              |                              |
| Purchase of Property, Plant and Equipment, Intangible Assets and Investment property                     | (5,512)                      | (6,935)                      |
| Proceeds from Sale of Property, Plant and Equipment                                                      | 179                          | 1,901                        |
| Purchase of Mutual Funds, Debentures and Other Investments                                               | (214,189)                    | (170,993)                    |
| Proceeds from sale of Mutual Funds, Debentures and Other Investments                                     | 197,066                      | 150,147                      |
| Loan given to Subsidiaries                                                                               | -                            | (322)                        |
| Repayment of Loan by Subsidiaries                                                                        | 1,597                        | 31                           |
| Dividend Income / Distributions from benefit trust                                                       | 2,447                        | 4,288                        |
| Investment in Associate and Subsidiaries                                                                 | (3,027)                      | (4,871)                      |
| Repatriation of Subsidiary                                                                               | 6                            | 34                           |
| Rental Income                                                                                            | 319                          | 184                          |
| Inter Corporate Deposits given                                                                           | (11,500)                     | (2,300)                      |
| Repayment of Inter Corporate Deposits                                                                    | 6,000                        | 5,086                        |
| Fixed Deposit / Margin Money Placed                                                                      | (73,281)                     | (80,430)                     |
| Fixed Deposit / Margin Money Realized                                                                    | 83,017                       | 81,218                       |
| Interest income received                                                                                 | 1,453                        | 1,114                        |
| <b>Net cash (used in) investing activities (B)</b>                                                       | <b>(15,425)</b>              | <b>(21,848)</b>              |

| Cash Flow Statement for the                                                                   |                              | ₹ in Million                 |
|-----------------------------------------------------------------------------------------------|------------------------------|------------------------------|
|                                                                                               | Year ended<br>March 31, 2019 | Year ended<br>March 31, 2018 |
| <b>C Cash Flow from Financing Activities</b>                                                  |                              |                              |
| Proceeds from Issuance of Equity Shares from exercise of stock options                        | 359                          | 251                          |
| Payment of dividend (Including dividend distribution tax thereon)                             | (16,411)                     | (10,361)                     |
| Deposits placed / earmarked for buyback of equity shares                                      | (2,106)                      | -                            |
| Repayment of Borrowings                                                                       | (1,739)                      | (1,281)                      |
| Finance costs paid                                                                            | (462)                        | (704)                        |
| <b>Net cash (used in) financing activities (C)</b>                                            | <b>(20,359)</b>              | <b>(12,095)</b>              |
| <b>Net increase / (decrease) in cash and cash equivalents during the period (D) = (A+B+C)</b> | <b>560</b>                   | <b>(1,213)</b>               |
| Effect of exchange rate changes on cash and cash equivalents (E)                              | 129                          | 388                          |
| <b>Cash and Cash Equivalents at the beginning of the year (F)</b>                             | <b>8,892</b>                 | <b>9,717</b>                 |
| <b>Cash and Cash Equivalents at the end of the period (G) = (D+E+F) (refer note 12)</b>       | <b>9,581</b>                 | <b>8,892</b>                 |

Notes :

- I Purchase of Property, Plant and Equipment and Intangible Assets include net movements in 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 During the year ended, the Company has acquired assets on finance lease amounting to ₹ 228 million (Year ended March 31, 2018 ₹ 664 million). The same are not reflected in the statement of cash flows being non cash in nature.

See accompanying notes forming part of the financial statements

As per our report of even date attached  
For **B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No.101248W/W-100022

For Tech Mahindra Limited

**Jamil Khatri**  
Partner  
Membership No.102527

**Anand G. Mahindra**  
Chairman  
**Anupam Puri**  
Director  
**V S Parthasarathy**  
Director  
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Director  
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Director  
**Mukti Khaire**  
Director  
**M. Rajyalakshmi Rao**  
Director  
**T. N. Manoharan**  
Director  
**Anil Khatri**  
Company Secretary

Mumbai, India, May 21, 2019

Mumbai, India, May 21, 2019

## Notes forming part of the Financial Statements for the year ended March 31, 2019

### 1. Corporate Information:

Tech Mahindra Limited (referred to as "TechM" or the "Company") is a leading provider of consulting-led integrated portfolio services to customers which are Telecom Equipment Manufacturers, Telecom Service Providers and IT Infrastructure Service Providers, Business Process Outsourcing Service Providers as well as Enterprise Solutions Services (BFSI, Retail & Logistics, Manufacturing, Energy and Utility (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. It also 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 a 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 is a public limited company incorporated and domiciled in India. The address of its registered office is Gateway Building, Apollo Bunder, Mumbai – 400 001. The Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The Board of Directors approved the financial statements for the year ended March 31, 2019 and authorised for issue on May 21, 2019.

### 2. Significant accounting policies:

#### 2.1 Statement of Compliance:

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

#### 2.2 Basis for preparation of financial statements:

These financial statements are presented in Indian rupees ("INR") which is also the Company's functional currency. All amounts have been reported in Indian Rupees Million, except for share and earnings per share data, unless otherwise stated. These financial statements have been prepared on the historical cost basis and on an accrual basis, except for certain financial instruments which are measured at fair values at the end of each reporting period,

as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purpose in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 *Share-based Payments*, leasing transactions that are within the scope of Ind AS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as 'value in use', in Ind AS 36 *Impairment of assets*.

### 2.3 Use of Estimates:

The preparation of financial statements requires the management of the Company to make estimates and assumptions 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. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

### Critical accounting estimates

#### i) Revenue Recognition

The Company applies the percentage of completion method in accounting for its fixed price development contracts. Use of the percentage of completion method requires the Company to estimate the efforts or costs expended to date (input method) as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

The company exercises judgments while determining the transaction price allocated to performance obligations using the expected cost plus margin approach.

## ii) **Income taxes and deferred taxes**

The major tax jurisdiction for the Company is India. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced. The policy for the same has been explained under Note 2.12.

## iii) **Property, plant and equipment**

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as

well as anticipation of future events, which may impact their life, such as changes in technology. The policy for the same has been explained under Note 2.4.

## iv) **Impairment testing**

Investments in subsidiaries and intangible assets are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions. The policy for the same has been explained under Note 2.7.

## v) **Provisions**

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. The policy for the same has been explained under Note 2.16.

## vi) **Defined benefit plans and compensated absences**

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The policy for the same has been explained under Note 2.11.

## vii) Expected credit losses on financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period. The policy for the same has been explained under Note 2.7.

## viii) Other estimates

The share based compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

## 2.4 Property, Plant & Equipment and Intangible assets:

Property, Plant & Equipment and intangible assets are stated at cost less accumulated depreciation/amortisation and net of impairment. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

The cost of property, plant and equipment not available for use as at each reporting date is disclosed under capital work in progress.

Depreciable amount for assets is the cost of an asset, less its estimated residual value. Depreciation on Property, Plant & Equipment (including assets taken on lease), other than freehold land, is charged based on the straight line method on the estimated useful life as prescribed in Schedule II to the Companies Act, 2013 except in respect of the certain categories of assets, where the life of the assets has been assessed based on internal technical estimate, considering the nature of the asset and estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological

changes. The estimated useful lives of assets are as follows:

| Particulars            | Life         |
|------------------------|--------------|
| Buildings              | 28 years     |
| Plant and Equipment    | 3 to 5 years |
| Furniture and Fixtures | 5 years      |
| Vehicles               | 5 years      |
| Computers              | 3 years      |
| Office Equipments      | 5 years      |

The estimated useful life of intangible assets (software) is 1 to 10 years.

The estimated useful life and residual values of Property, Plant & Equipment and Intangible assets are reviewed at the end of each reporting period.

Assets acquired under finance lease and leasehold improvements are amortized over the shorter of estimated useful life of the asset or the related lease term.

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 life on a straight line basis or over the period of the license/project period, whichever is lower.

Intellectual Property Rights ('IPR') comprise right to use for licensed software. The Company has recognised the IPR based on consideration paid. Subsequent to initial recognition, the intangible asset is measured at cost, less any accumulated amortization and accumulated impairment losses. The IPR's are amortised over their estimated useful life of 10 years on a straight line basis.

An item of Property, Plant & Equipment and intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant & Equipment and intangible assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

When the use of a property changes from owner occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

## 2.5 Investment Property:

Investment properties are measured initially at

cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment losses, if any in accordance with Ind AS 16 *Property, Plant and Equipment*.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Useful life of investment properties:

| Particulars            | Life         |
|------------------------|--------------|
| Buildings              | 28 years     |
| Plant and Equipments   | 3 to 5 years |
| Furniture and Fixtures | 5 years      |
| Office equipment       | 5 years      |

## 2.6 Leases:

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is, or contains a lease if, fulfilment of the arrangement is dependent on the use of a specific asset or assets, even if that right is not explicitly stated in the arrangement.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

### 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 lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability

and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

### 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 rentals under operating lease are recognised in the Statement of Profit and Loss on a straight line basis over the lease term except where the rentals are structured to increase in line with expected general inflation.

## 2.7 Impairment of Assets:

### i) Financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using effective interest rate.

Loss allowances for trade receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes into account historical credit loss experience adjusted for forward looking information. For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case, those are measured at lifetime expected credit loss.

### ii) Non-financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the

Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

## 2.8 Revenue recognition:

Revenue from information technology and business process outsourcing services include revenue earned from services rendered on 'time and material' basis, time bound fixed price engagements and fixed price development contracts.

Effective April 1, 2018, the Company adapted Ind AS 115 "Revenue from contracts with customers" which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information has not been restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The adoption of the standard did not have any significant impact on the financial statements of the Company.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services, net of indirect taxes, discounts, rebates, credits, price concessions, incentives, performance bonuses, penalties, or other similar items.

Revenue from time and material contracts is recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue.

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

Revenue on fixed price development contracts is recognised using the 'percentage of completion' method of accounting, unless work completed

cannot be reasonably estimated. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Company does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognised only to the extent of contract cost incurred for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognised in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates.

The solutions offered by the Company may include supply of third party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises gross amount of consideration as revenue when it is acting as a principal and net amount of consideration as revenue when it is acting as an agent.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liability ("Unearned revenue") arises when there are billing in excess of revenue.

In arrangements for hardware and software implementation and integration, related services and maintenance services, the Company has applied the guidance in Ind AS 115 by applying the revenue recognition criteria for each distinct performance obligation. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Company is unable to determine the standalone selling price, the Company uses the expected cost plus margin approach in estimating the standalone selling price. Fixed price development contracts and related services, the performance obligation is satisfied as and when the services are rendered

since the customer generally obtains control of the work as it progresses.

Revenue from licenses where the customer obtains a 'right to use' the licenses is recognised at the time the license is made available to the customer. Revenue from licenses where the customer obtains a 'right to access' is recognised over the access period. The Company has applied the principles of Ind AS 115 to account for revenues for these performance obligations.

The Company recognises revenue for a sales-based or usage-based royalty promised in exchange for a license of intellectual property only when (or as) the subsequent sale or usage occurs.

The Company accounts for volume discount and pricing incentives to customers as a reduction based on ratable allocation of the discounts/incentives amount to each of the underlying performance obligation that corresponds to the progress made by the customer towards earning the discount/incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the Company recognises the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognised until the payment is probable and the amount can be estimated reliably. The Company recognises changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Deferred contract costs are upfront costs incurred for the contract and are amortized on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company disaggregates revenue from contracts with customers by nature of services, geography and industry verticals.

Dividend income is recognised when the Company's right to receive dividend is established. Interest income is recognised using effective interest rate method.

Rental income from the investment property is recognised in statement of profit and loss on a straight-line basis over the term of lease except where the rentals are structured to increase in line with expected general inflation.

## 2.9 Foreign currency transactions:

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the date of Balance Sheet. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognised in the profit or loss.

## 2.10 Financial Instruments:

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

### i) Non-derivative financial instruments:

#### Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash and 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.

#### Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest method less impairment losses,

if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## **Financial assets at fair value**

Financial assets not measured at amortised cost are carried at fair value through profit or loss (FVTPL) on initial recognition, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in 'other comprehensive income', for investment in equity instruments which are not held for trading.

The Company, on initial application of IND AS 109 *Financial Instruments*, has made an irrevocable election to present in 'other comprehensive income', subsequent changes in fair value of equity instruments not held for trading.

Financial asset at FVTPL, are measured at fair values at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

## **Investment in subsidiaries**

Investment in subsidiaries is carried at cost less impairment as per Ind AS 27 *Consolidated and Separate Financial Statements*.

## **Financial liabilities**

Financial liabilities are subsequently carried at amortised cost using the effective interest rate method or at FVTPL. For financial liabilities carried at amortised cost, the carrying amounts approximate fair values due to the short term maturities of these instruments. Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised in a business combination, or is held for trading or it is designated as FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit and loss.

## **ii) Derivative financial instruments and hedge accounting**

The Company is exposed to foreign currency fluctuations on foreign currency

assets, liabilities and forecasted cash flows denominated in foreign currency. The Company uses foreign currency forward contracts / options to hedge its risks associated with foreign currency fluctuations relating to certain forecasted transactions. The Company designates some of these forward contracts / options as hedge instruments and accounts for them as cash flow hedges applying the recognition and measurement principles set out in Ind AS 109.

The use of foreign currency forward contracts / options is governed by the Company's risk management policy 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 in other comprehensive income and accumulated under 'effective portion of cash flow hedges' (net of taxes), and the ineffective portion is recognised immediately in the statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in effective portion of cash flow hedges are reclassified to the statement of profit or loss in the same period in which gains/ losses on the item hedged are recognised in the statement of profit or loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised 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 classified as effective portion of cash flow hedges 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 effective portion of cash flow hedges is transferred to the statement of profit and loss for the period.

**iii) Derecognition of financial instruments**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company retains substantially all the risk and rewards of transferred financial assets, the Company continues to recognise the financial asset and also recognises the borrowing for the proceeds received.

The Company derecognises financial liabilities when, and only when, the Company's obligation are discharged, cancelled or have expired.

**iv) Financial Guarantee contracts**

Financial guarantee contracts issued by the Company are initially measured at fair value and subsequently measured at the higher of the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

## 2.11 Employee Benefits:

**a. Defined benefit plans:**

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. 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 last drawn salary and the tenure of the employment.

**b. Defined contribution plans:**

**(i) 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.

**(ii) Superannuation and ESIC:**

Contributions to Superannuation fund and employees' state insurance scheme (ESI), which are defined contribution schemes, are charged to the statement of profit and loss on an accrual basis.

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

**c. Compensated absences:**

The Company provides for compensated absences and long term service awards subject to Company's rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is accrued based on the number of days of unavailed leave at each Balance Sheet date and the awards are accrued based on number years of service of an employee. It is measured at the balance sheet date on the basis of an independent actuarial valuation 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.

The Company also offers a short term benefit in the form of encashment of unavailed accumulated compensated absences above certain limits for all of its employees and same is recognised as undiscounted liability at the balance sheet date.

**d. 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 services rendered by employees, are recognised in the statement of profit and loss during the period when the employee renders the service.

**2.12 Taxation:**

Tax expense comprises of current tax and deferred tax. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted as at the reporting date and applicable for the period. 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 exemptions in accordance with the local tax laws existing in the respective countries.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are recognised in other comprehensive income or directly in equity, respectively.

The current income tax expense includes income taxes payable by the Company and its branches in India and overseas. The current tax payable by the Company in India is Indian income tax payable on worldwide income after taking credit for tax relief available for export operations in Special Economic Zones (SEZs). Current income tax payable by overseas branches of the Company is computed in accordance with the tax laws applicable in the jurisdiction in which the respective branch operates. The proportionate credit for the taxes paid outside India are generally available for set off against the Indian income tax liability of the Company's worldwide income.

Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit has a legally enforceable right and intends to settle the asset and liability on a net basis.

**Deferred income taxes**

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for

deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be recovered or settled.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India. MAT credit is recognised for future economic benefits in the form of adjustment of future income tax liability and is considered as an asset if there is probable evidence that the Company will pay normal income tax.

Deferred tax assets and liabilities are offset when it relates to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

In cases, where the tax on dividend from a foreign subsidiary is allowed as a set off against the Company's own dividend distribution tax (DDT) liability, then the amount of tax paid on foreign dividend is recognised in the statement of changes in equity.

The Company recognises interest levied and penalties related to income tax assessments in interest expenses.

**2.13 Employee Stock Option Plans:**

Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortization). The share based compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

The expense is recognised in the statement of profit and loss with a corresponding increase to the 'share option outstanding account', which is a component of equity.

#### 2.14 Research and development:

Research costs are recognised as an expense in the statement of profit and loss in the period they are incurred. Development costs are recognised in the statement of profit and loss unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete the development project and use the asset and the costs can be measured reliably.

#### 2.15 Earnings per Share:

Basic earnings per share is calculated by dividing the net profit 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 period.

For calculating diluted earnings per share, the net profit 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 dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

#### 2.16 Provisions :

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

#### 2.17 Recent Indian Accounting Standards (Ind AS):

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified the following new Accounting Standards ('Ind AS') and amendments to Ind ASs which the Company has not applied as they are effective for annual periods beginning April 1, 2019:

#### Ind AS 116 - Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 16, effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Company is in the process of finalising changes to systems and processes to meet the accounting and reporting requirements of the standard.

With effect from April 01, 2019, the Company will recognise new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortization change for the right-to-use asset, and b) interest accrued on lease liability.

Previously, the Company recognised operating lease expense on a straightline basis over the term of the lease, and recognised assets and liabilities only to the extent that there

was a timing difference between actual lease payments and the expense recognised.

As a lessor, sublease shall be classified an operating lease if the head lease is classified as a short term lease. In all other cases the sublease shall be classified as a finance lease.

On preliminary assessment, the Company does not expect a significant impact to opening retained earnings on adoption of Ind AS 116.

## **Ind AS 12 - Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)**

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The Company does not expect any significant impact of the amendment on its financial statements.

## **Ind AS 109 – Financial Instruments (Prepayment Features with Negative Compensation)**

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending

on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.

The Company does not expect any significant impact of the amendment on its financial statements.

## **Ind AS 19 – Employee Benefits (Plan Amendment, Curtailment or Settlement)**

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the remeasurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect any significant impact of the amendment on its financial statements.

## **Ind AS 23 – Borrowing Costs**

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

The Company does not expect any significant impact of the amendment on its financial statements.

## **Ind AS 28 – Long-term Interests in Associates and Joint Ventures**

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any long-term interests in associates and joint ventures and hence does not expect impact of the amendment on its financial statements.

## **Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements**

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company currently does not have control / joint control of a business that is a joint operation and hence does not expect impact of the amendment on financial statements.

## NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

| Particulars              | Gross Block               |                          |           |                                                        |                              | Accumulated Depreciation / Amortisation |                           |              |                                                        |                     | Net Block            |  |
|--------------------------|---------------------------|--------------------------|-----------|--------------------------------------------------------|------------------------------|-----------------------------------------|---------------------------|--------------|--------------------------------------------------------|---------------------|----------------------|--|
|                          | Cost as at April 01, 2018 | Additions (refer note v) | Deletions | Reclassification to Investment Property (Refer note 4) | Balance as at March 31, 2019 | As at April 01, 2018                    | Depreciation for the year | On Deletions | Reclassification to Investment Property (Refer note 4) | Upto March 31, 2019 | As at March 31, 2019 |  |
| Freehold Land            | 472                       | 5                        | -         | -                                                      | 477                          | -                                       | -                         | -            | -                                                      | -                   | 477                  |  |
|                          | 473                       | -                        | 1         | -                                                      | 472                          | -                                       | -                         | -            | -                                                      | -                   | 472                  |  |
| Buildings                | 19,317                    | 40                       | -         | -                                                      | 19,357                       | 5,522                                   | 703                       | -            | -                                                      | 6,225               | 13,132               |  |
|                          | 18,987                    | 612                      | 2         | 280                                                    | 19,317                       | 4,840                                   | 702                       | 3            | 17                                                     | 5,522               | 13,795               |  |
| Computers                | 13,567                    | 1,460                    | 783       | -                                                      | 14,244                       | 11,332                                  | 1,490                     | 757          | -                                                      | 12,065              | 2,179                |  |
|                          | 12,374                    | 1,507                    | 314       | -                                                      | 13,567                       | 10,195                                  | 1,448                     | 311          | -                                                      | 11,332              | 2,235                |  |
| Plant and Equipment      | 13,973                    | 285                      | 32        | -                                                      | 14,226                       | 11,548                                  | 951                       | 31           | -                                                      | 12,468              | 1,758                |  |
|                          | 14,072                    | 468                      | 388       | 179                                                    | 13,973                       | 10,907                                  | 1,045                     | 343          | 61                                                     | 11,548              | 2,425                |  |
| Furniture and Fixtures   | 6,580                     | 159                      | 31        | -                                                      | 6,708                        | 5,271                                   | 500                       | 30           | -                                                      | 5,741               | 967                  |  |
|                          | 6,383                     | 321                      | 58        | 66                                                     | 6,580                        | 4,795                                   | 554                       | 50           | 28                                                     | 5,271               | 1,309                |  |
| Vehicles                 | 207                       | 3                        | 9         | -                                                      | 201                          | 160                                     | 16                        | 7            | -                                                      | 169                 | 32                   |  |
|                          | 208                       | 19                       | 20        | -                                                      | 207                          | 159                                     | 17                        | 16           | -                                                      | 160                 | 47                   |  |
| Office Equipments        | 1,560                     | 156                      | 21        | -                                                      | 1,695                        | 1,181                                   | 160                       | 21           | -                                                      | 1,320               | 375                  |  |
|                          | 1,429                     | 162                      | 18        | 13                                                     | 1,560                        | 1,051                                   | 152                       | 17           | 5                                                      | 1,181               | 379                  |  |
| Leasehold Improvements   | 929                       | 10                       | 99        | -                                                      | 840                          | 826                                     | 41                        | 99           | -                                                      | 768                 | 72                   |  |
|                          | 1,067                     | 37                       | 175       | -                                                      | 929                          | 949                                     | 48                        | 171          | -                                                      | 826                 | 103                  |  |
| Taken on Finance Lease : |                           |                          |           |                                                        |                              |                                         |                           |              |                                                        |                     |                      |  |
| Computers                | 3,999                     | 228                      | 3,881     | -                                                      | 346                          | 2,406                                   | 767                       | 2,854        | -                                                      | 319                 | 27                   |  |
|                          | 3,335                     | 664                      | -         | -                                                      | 3,999                        | 1,186                                   | 1,220                     | -            | -                                                      | 2,406               | 1,593                |  |
| Plant and Equipment      | 207                       | -                        | 40        | -                                                      | 167                          | 185                                     | 5                         | 23           | -                                                      | 167                 | -                    |  |
|                          | 207                       | -                        | -         | -                                                      | 207                          | 177                                     | 8                         | -            | -                                                      | 185                 | 22                   |  |
| Vehicles                 | 2                         | -                        | -         | -                                                      | 2                            | 2                                       | -                         | -            | -                                                      | 2                   | -                    |  |
|                          | 12                        | -                        | 10        | -                                                      | 2                            | 12                                      | -                         | 10           | -                                                      | 2                   | -                    |  |
| Total                    | 60,813                    | 2,346                    | 4,896     | -                                                      | 58,263                       | 38,433                                  | 4,633                     | 3,822        | -                                                      | 39,244              | 19,019               |  |
|                          | 58,547                    | 3,790                    | 986       | 538                                                    | 60,813                       | 34,271                                  | 5,194                     | 921          | 111                                                    | 38,433              | 22,380               |  |

## Notes:

- In respect of certain freehold land 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 30.4.2(ii))
- Numbers in Italics pertain to the previous year.
- Amounts less than ₹ 0.5 Million are reported as "0".
- Plant and Equipment includes electrical installations and equipments.
- Additions during the period include assets acquired as part of business combination transactions (Refer Note 33)

₹ in Million

## Note 4 : Investment Property

| Description of Assets                         | As at          |                |
|-----------------------------------------------|----------------|----------------|
|                                               | March 31, 2019 | March 31, 2018 |
| Investment Properties (I -II) (refer note 37) | 1,141          | 1,289          |

| Particulars                                                        | As at          |                |
|--------------------------------------------------------------------|----------------|----------------|
|                                                                    | March 31, 2019 | March 31, 2018 |
| <b>I. Gross Block</b>                                              |                |                |
| Opening Balance                                                    | 1,906          | 777            |
| Additions                                                          | 17             | 591            |
| Reclassification from Property, Plant and Equipment (refer Note 3) | -              | 538            |
| Closing Balance                                                    | 1,923          | 1,906          |
| <b>II. Accumulated depreciation</b>                                |                |                |
| Opening Balance                                                    | 617            | 322            |
| Reclassification from Property, Plant and Equipment (refer Note 3) | -              | 111            |
| Depreciation for the year                                          | 165            | 184            |
| Closing Balance                                                    | 782            | 617            |

## Note 5 : Intangible Assets

| Description of Assets                          | Intellectual property rights | Software (other than internally generated) | Software taken on Lease | ₹ in Million |
|------------------------------------------------|------------------------------|--------------------------------------------|-------------------------|--------------|
|                                                |                              |                                            |                         | Total        |
| <b>I. Gross carrying value</b>                 |                              |                                            |                         |              |
| As at April 1, 2017 (refer Note 33)            | -                            | 4,408                                      | 56                      | 4,464        |
| Additions during the year                      | 8,939                        | 631                                        | -                       | 9,570        |
| Disposals                                      | -                            | (67)                                       | -                       | (67)         |
| As at March 31, 2018                           | 8,939                        | 4,972                                      | 56                      | 13,967       |
| Additions during the year                      | -                            | 848                                        | -                       | 848          |
| Disposals                                      | -                            | (7)                                        | -                       | (7)          |
| Balance as at March 31, 2019                   | 8,939                        | 5,813                                      | 56                      | 14,808       |
| <b>II. Accumulated amortisation</b>            |                              |                                            |                         |              |
| Balance as at April 1, 2017 (refer Note 33)    | -                            | 4,199                                      | 14                      | 4,213        |
| Amortisation expense for the year              | 447                          | 696                                        | 42                      | 1,185        |
| Disposals                                      | -                            | (67)                                       | -                       | (67)         |
| Balance as at March 31, 2018                   | 447                          | 4,828                                      | 56                      | 5,331        |
| Amortisation for the year                      | 894                          | 895                                        | -                       | 1,789        |
| Disposals                                      | -                            | (7)                                        | -                       | (7)          |
| Balance as at March 31, 2019                   | 1,341                        | 5,716                                      | 56                      | 7,113        |
| <b>Net Block as at March 31, 2019 (I - II)</b> | <b>7,598</b>                 | <b>97</b>                                  | <b>-</b>                | <b>7,695</b> |
| <b>Net Block as at March 31, 2018 (I - II)</b> | <b>8,492</b>                 | <b>144</b>                                 | <b>-</b>                | <b>8,636</b> |

|                                                                       |          |            |                        | ₹ in Million   |                |                |
|-----------------------------------------------------------------------|----------|------------|------------------------|----------------|----------------|----------------|
| Particulars                                                           | Currency | Face Value | Number of Shares as at |                | Balances as at |                |
|                                                                       |          |            | March 31, 2019         | March 31, 2018 | March 31, 2019 | March 31, 2018 |
| Note 6 : Investments : Non Current                                    |          |            |                        |                |                |                |
| (A) In Subsidiaries , Associates and Others                           |          |            |                        |                |                |                |
| (a) In Subsidiaries - unquoted, at cost                               |          |            |                        |                |                |                |
| Tech Mahindra (Americas) Inc.                                         | USD      | 1          | 170,521,745            | 170,521,745    | 12,598         | 12,455         |
| Interest in TML Benefit Trust (refer note v below)                    |          |            |                        |                | 12,071         | 12,071         |
| Tech Mahindra GmbH                                                    | EUR      | 1          | 26,000                 | 26,000         |                |                |
|                                                                       | EUR      | 25,000     | 3                      | 3              |                |                |
|                                                                       | EUR      | 50,000     | 3                      | 3              |                |                |
|                                                                       | EUR      | 500,000    | 3                      | 3              | 391            | 391            |
| Tech Mahindra (Singapore) Pte. Limited.                               | SGD      | 10         | 5,000                  | 5,000          | 1              | 1              |
| Tech Mahindra (Thailand) Limited.                                     | THB      | 100        | 60,000                 | 60,000         | 8              | 8              |
| Tech Mahindra Foundation.                                             | INR      | 10         | 50,000                 | 50,000         | 1              | 1              |
| Tech Mahindra Indonesia.                                              | USD      | 1          | 500,000                | 500,000        | 22             | 22             |
| Tech Mahindra (Beijing) IT Services Limited (refer note i below)      | CNY      | -          | -                      | -              | 22             | 22             |
| Tech Mahindra (Bahrain) Limited S.P.C.                                | BHD      | 100        | 500                    | 500            | 6              | 6              |
| Tech Mahindra (Nigeria) Limited.                                      | NGN      | 1          | 153,040,026            | 153,040,026    | 46             | 46             |
| Tech Mahindra Business Services Limited.                              | INR      | 10         | 1,000,000              | 1,000,000      | 4,873          | 4,873          |
| Comviva Technologies Limited                                          | INR      | 10         | 21,866,906             | 21,835,698     | 6,870          | 6,870          |
| Tech Mahindra South Africa (Pty) Limited.                             | ZAR      | 1          | -                      | 51             | -              | 0              |
| Tech Mahindra Holdco Pty Limited                                      | ZAR      | 1          | 96                     | -              | 0              | -              |
| Tech Mahindra ICT Services (Malaysia) SDN. BHD.                       | MYR      | 1          | 10,654,000             | 10,654,000     | 171            | 171            |
| FixStream Networks Inc.                                               | USD      | 0.000      | 18,400,279             | 18,400,279     | 604            | 604            |
| Tech Mahindra IPR Inc.                                                | USD      | 1,000      | -                      | 100            | -              | 6              |
| Tech Mahindra Technologies Inc.                                       | USD      | 0.01       | 100,000                | 100,000        | 202            | 202            |
| Less: Provision for diminution in value of investment                 |          |            |                        |                | 178            | 178            |
|                                                                       |          |            |                        |                | 24             | 24             |
| Tech Mahindra (Shanghai) Co. Limited (refer note i below)             | CNY      | -          | -                      | -              | 628            | 628            |
| Tech Mahindra (Nanjing) Co. Limited (refer note i below)              | CNY      | -          | -                      | -              | 352            | 352            |
| Less: Provision for diminution in value of investment                 |          |            |                        |                | 311            | 311            |
|                                                                       |          |            |                        |                | 41             | 41             |
| Citisoft Plc.                                                         | GBP      | 0.01       | 11,241,000             | 11,241,000     | 1,131          | 1,131          |
| Tech Mahindra Servicios De Informatica LTDA.                          | BRL      | 1          | 118,270,118            | 63,117,318     | 2,412          | 1,397          |
| Less: Provision for diminution in value of investment (refer note 34) |          |            |                        |                | 1,020          | -              |
|                                                                       |          |            |                        |                | 1,392          | 1,397          |
| Satyam Venture Engineering Services Private Limited (refer note 38)   | INR      | 10         | 3,544,480              | 3,544,480      | 36             | 36             |
| Mahindra Educational Institutions                                     | INR      | 10         | 10,000                 | 10,000         | 0              | 0              |
| Tech Mahindra De Mexico, S.DE R.L.DE C.V. (refer note ii below)       | MXN      | 2,999      | 1                      | 1              |                |                |
|                                                                       | MXN      | 1          | 1                      | 1              |                |                |
|                                                                       | MXN      | 12,931,770 | 1                      | 1              | 55             | 55             |

| ₹ in Million                                                                             |          |            |                        |                |                |                |
|------------------------------------------------------------------------------------------|----------|------------|------------------------|----------------|----------------|----------------|
| Particulars                                                                              | Currency | Face Value | Number of Shares as at |                | Balances as at |                |
|                                                                                          |          |            | March 31, 2019         | March 31, 2018 | March 31, 2019 | March 31, 2018 |
| NOTE 6 : INVESTMENTS : NON CURRENT (CONTD.)                                              |          |            |                        |                |                |                |
| Sofgen Holdings Limited (refer note iii below)                                           | EUR      | 1          | 1,092,910              | 1,092,910      | 1,110          | 1,110          |
| Nth Dimension Limited                                                                    |          |            |                        |                |                |                |
| - In Equity Shares                                                                       | GBP      | 0.01       | 1,000                  | 865            | 0              | 0              |
| - In Preference Shares                                                                   | GBP      | 1.00       | 2,499,990              | -              | 226            | -              |
| Tech Mahindra DRC Sarlu                                                                  | USD      | 10         | 10,000                 | 10,000         | 6              | 6              |
|                                                                                          |          |            |                        |                |                |                |
| Mahindra Engineering Services (Europe) Limited.                                          |          |            |                        |                |                |                |
| - In Equity Shares                                                                       | GBP      | 1          | 65,000                 | 65,000         | 5              | 5              |
| - In Preference Shares                                                                   | GBP      | 1          | 22,967,240             | -              | 2,106          | -              |
|                                                                                          |          |            |                        |                |                |                |
| Mahindra Technologies Services Inc.                                                      | USD      | 10         | 105,000                | 105,000        | 64             | 64             |
| Tech Mahindra Arabia Limited                                                             | SAR      | 1,000      | 510                    | 510            | 9              | 9              |
| Tech Mahindra France SAS                                                                 | EUR      | 1          | -                      | 100,000        | -              | 7              |
| Tech Mahindra Growth Factories Limited                                                   | INR      | 10         | 32,950,000             | 32,950,000     | 338            | 330            |
| Less : Provision for diminution in value of investment (refer Note 34)                   |          |            |                        |                | 338            | 330            |
|                                                                                          |          |            |                        |                | -              | -              |
| Tech Mahindra Netherlands B.V.                                                           | EUR      | 1          | 46,001                 | 46,001         | 3              | 3              |
| Tech Mahindra Sweden AB                                                                  | SEK      | 100        | 500                    | 500            | 0              | 0              |
| vCustomer Philippines, Inc.                                                              | PHP      | 10         | 950,000                | 950,000        | 62             | 62             |
| PF Holdings B.V.                                                                         | EUR      | 1          | 27,504,075             | 27,504,075     | 2,776          | 2,776          |
| The Bio Agency Limited (refer note iv below)                                             | GBP      | 0.01       | 120,000                | 120,000        | 2,667          | 2,984          |
| Tech Mahindra Fintech Holdings Limited                                                   | GBP      | 0.01       | 875,001                | 875,001        | 9,288          | 9,377          |
| Tech Mahindra Vietnam Company Limited (refer note i below)                               | VND      | -          | -                      | -              | 3              | 3              |
| Sub total (a)                                                                            |          |            |                        |                | 59,316         | 57,265         |
|                                                                                          |          |            |                        |                |                |                |
| (b) In Associates - Unquoted, at cost                                                    |          |            |                        |                |                |                |
| - In Equity Shares:                                                                      |          |            |                        |                |                |                |
| IQS Information Solutions WLL                                                            | QAR      | 100        | 720                    | 720            | 1              | 1              |
| Less: Provision for diminution in value of investment (refer Note 34)                    |          |            |                        |                | 1              | -              |
| Sub total (b)                                                                            |          |            |                        |                | -              | 1              |
|                                                                                          |          |            |                        |                |                |                |
| (c) In other Investments                                                                 |          |            |                        |                |                |                |
| - Unquoted, at cost                                                                      |          |            |                        |                |                |                |
| Servista Limited                                                                         |          |            |                        |                |                |                |
| - In Equity Shares:                                                                      | GBP      | 0.002      | 4,232,622              | 4,232,622      | 1              | 1              |
| - In Preference Shares:                                                                  | GBP      | 0.002      | 2,500,000              | 2,500,000      | 84             | 84             |
|                                                                                          |          |            |                        |                | 85             | 85             |
| Less : Provision for Dimunition                                                          |          |            |                        |                | 85             | 85             |
|                                                                                          |          |            |                        |                | -              | -              |
| - Quoted                                                                                 |          |            |                        |                |                |                |
| Dion Global Solutions Limited (carried at fair value through other comprehensive income) | INR      | 10         | 5,147,058              | 5,147,058      | 21             | 122            |
| Sub total (c)                                                                            |          |            |                        |                | 21             | 122            |

|                                                                  |          |            |                        |                |                | ₹ in Million   |  |
|------------------------------------------------------------------|----------|------------|------------------------|----------------|----------------|----------------|--|
| Particulars                                                      | Currency | Face Value | Number of Shares as at |                | Balances as at |                |  |
|                                                                  |          |            | March 31, 2019         | March 31, 2018 | March 31, 2019 | March 31, 2018 |  |
| <b>Note 6 : Investments : Non Current (Contd.)</b>               |          |            |                        |                |                |                |  |
| <b>(d) In entities which are liquidated / dissolved / merged</b> |          |            |                        |                |                |                |  |
| Mahindra Engineering GmbH (refer note vii below)                 | EUR      | 1          | 59,000                 | 59,000         | 3              | 3              |  |
| Less: Provision for diminution in value of investment            |          |            |                        |                | 3              | 3              |  |
|                                                                  |          |            |                        |                | -              | -              |  |
| <b>Sub total (A) (a+b+c+d)</b>                                   |          |            |                        |                | <b>59,337</b>  | <b>57,388</b>  |  |
| <b>(B) In Bonds, Debentures</b>                                  |          |            |                        |                |                |                |  |
| <b>- Unquoted</b>                                                |          |            |                        |                |                |                |  |
| Treasury Bonds and Bills *                                       |          |            |                        |                | 42             | 26             |  |
| - Others*                                                        |          |            |                        |                | 0              | 0              |  |
| <b>- Quoted</b>                                                  |          |            |                        |                |                |                |  |
| Non Convertible Debentures *                                     |          |            |                        |                | 6,908          | 11,236         |  |
| <b>Sub total (B)</b>                                             |          |            |                        |                | <b>6,950</b>   | <b>11,262</b>  |  |
| <b>Total (A+B)</b>                                               |          |            |                        |                | <b>66,287</b>  | <b>68,650</b>  |  |

Note :

- Investment in these entities is not denominated in number of shares as per laws of country of incorporation i.e. The People's Republic of China and Vietnam.
- The number of shares held in Tech Mahindra De Mexico, S.DE R.L.DE C.V. comprise 1 share (March 31, 2018 - 1) each of Peso 2,999 and Peso 1; fully paid up of Series A (fixed capital) and 1 share (March 31, 2018 - 1) of Peso 12,931,770 fully paid up of Series B (variable capital).
- The number of shares held in Sofgen Holdings Limited comprise 1,065,848 Ordinary shares (March 31, 2018 - 1,065,848) and 27,062 shares of Class A (March 31, 2018 - 27,062).
- The number of shares held in The Bio Agency Limited comprise 102,000 Class A Ordinary shares (March 31, 2018 - 102,000) and 18,000 Class B Ordinary shares (March 31, 2018 - 18,000).
- As per the Scheme of merger of the Company with Mahindra Satyam Computer Services Limited with effect from June 24, 2013 the Company had created TML Benefit Trust (Trust) as per the merger order. As per the scheme, the Company transferred, out of its total holding in Satyam as on April 1, 2011; 204 Million equity shares to the Trust, to hold the shares and any additions thereto exclusively for the benefit of the Company. Post-merger with Tech Mahindra Limited these shares were converted into Tech Mahindra Limited's shares in the ratio of 2: 17. As of date, post bonus and split approved by the shareholders from time to time by Tech Mahindra Limited; the Trust holds 96,000,000 (March 2018: 96,000,000) shares of the Company.
- Amounts less than ₹ 0.5 Million are reported as "0"
- Mahindra Engineering GmbH has been liquidated/dissolved as per the German Commercial Code. 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 this subsidiary has been fully provided for.

\*carried at fair value through profit and loss

₹ In Million

| Particulars                                                                            | As at          |                |
|----------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                        | March 31, 2019 | March 31, 2018 |
| <b>Note 7 : Trade Receivables : Non Current</b>                                        |                |                |
| <b>Trade receivables (Unsecured) (refer note 39)</b>                                   |                |                |
| Credit Impaired                                                                        | 2,367          | 2,367          |
| Less: Allowance for expected credit loss                                               | 2,367          | 2,367          |
| <b>Total</b>                                                                           | <b>-</b>       | <b>-</b>       |
| <b>Note 8 : Other Financial Assets : Non Current</b>                                   |                |                |
| <b>(Unsecured, considered good unless otherwise stated)</b>                            |                |                |
| <b>Interest Receivable</b>                                                             |                |                |
| On Bank Deposits                                                                       | 17             | 0              |
| On Non Convertible Debentures                                                          | -              | 7              |
|                                                                                        | <b>17</b>      | <b>7</b>       |
| <b>Security Deposits</b>                                                               |                |                |
| Unsecured, considered good                                                             | 972            | 872            |
| Credit Impaired                                                                        | 30             | 30             |
| Less : Allowance for expected credit loss                                              | 30             | 30             |
|                                                                                        | <b>972</b>     | <b>872</b>     |
| <b>Advances to Related Parties (refer note 48)</b>                                     |                |                |
| Considered Good                                                                        | 742            | 693            |
| <b>Lease Receivable (refer note 45)</b>                                                | <b>158</b>     | <b>191</b>     |
| <b>Fixed Deposits / Margin Money Deposits having maturities of more than 12 months</b> | <b>381</b>     | <b>26</b>      |
| <b>Foreign currency derivative assets (refer note 46)</b>                              | <b>2,289</b>   | <b>346</b>     |
| <b>Total</b>                                                                           | <b>4,559</b>   | <b>2,135</b>   |
| <b>Note 9 : Other Non-Current Assets</b>                                               |                |                |
| <b>(Unsecured)</b>                                                                     |                |                |
| <b>Considered good</b>                                                                 |                |                |
| Capital Advances                                                                       | 184            | 222            |
| Prepaid Expenses (including rentals for leasehold land)                                | 1,525          | 1,343          |
| Deferred contract costs                                                                | 666            | 1,055          |
| Balance with Government Authorities                                                    | 1,163          | 1,197          |
| <b>Sub total</b>                                                                       | <b>3,538</b>   | <b>3,817</b>   |
| <b>Considered doubtful</b>                                                             | <b>387</b>     | <b>390</b>     |
| Less: Allowance for amounts considered doubtful                                        | 387            | 390            |
| <b>Sub total</b>                                                                       | <b>-</b>       | <b>-</b>       |
| <b>Total</b>                                                                           | <b>3,538</b>   | <b>3,817</b>   |

| Particulars                                                                                                   | ₹ In Million   |                |
|---------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                               | As at          |                |
|                                                                                                               | March 31, 2019 | March 31, 2018 |
| <b>Note 10 : Investments : Current</b>                                                                        |                |                |
| <b>Investments</b>                                                                                            |                |                |
| Investment in Mutual Funds (carried at fair value through profit and loss)                                    | 37,508         | 25,479         |
| Investment in non-convertible debentures and commercial paper (carried at fair value through profit and loss) | 14,812         | 2,952          |
| Term Deposits with Financial Institutions(carried at amortised cost)                                          | 11,000         | 5,500          |
| <b>Total</b>                                                                                                  | <b>63,320</b>  | <b>33,931</b>  |
| <b>Note 11 : Trade Receivables : Current</b>                                                                  |                |                |
| <b>Trade receivables (Unsecured)</b>                                                                          |                |                |
| Considered good                                                                                               | 59,633         | 51,010         |
| Credit Impaired                                                                                               | 3,090          | 2,918          |
|                                                                                                               | 62,723         | 53,928         |
| Less: Allowance for expected credit loss                                                                      | 3,090          | 2,918          |
| <b>Total</b>                                                                                                  | <b>59,633</b>  | <b>51,010</b>  |
| <b>Note 12 : Cash and Cash Equivalents</b>                                                                    |                |                |
| Funds in Transit                                                                                              | 131            | 382            |
| Balances with banks                                                                                           |                |                |
| In Current Account                                                                                            | 2,988          | 8,304          |
| In Deposit Account (original maturities less than three months)                                               | 6,462          | 206            |
| <b>Total</b>                                                                                                  | <b>9,581</b>   | <b>8,892</b>   |
| <b>Note 13 : Other Balances with Banks</b>                                                                    |                |                |
| In Deposit Accounts (refer note below)                                                                        | -              | 10,032         |
| Earmarked Balances with Banks                                                                                 |                |                |
| Unclaimed Dividend                                                                                            | 177            | 100            |
| Balances held as Margin Money/Security towards obtaining Bank Guarantees                                      | 196            | 271            |
| Balance held under Escrow Account                                                                             | 25             | 8              |
| Balance in Deposit Account pursuant to the buyback of equity shares (refer note 17(vi))                       | 2,106          | -              |
| <b>Total</b>                                                                                                  | <b>2,504</b>   | <b>10,411</b>  |

**Note : -**

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) granted stay of the said Order and all proceedings thereto vide its Order dated December 11, 2012. The Hon'ble High Court of Andhra Pradesh, vide its Order dated December 31, 2018 set aside the provisional attachment Order of ED and directed Banks to release the Fixed deposits to the Company.

₹ In Million

| Particulars                                                                                                              | As at          |                |
|--------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                                          | March 31, 2019 | March 31, 2018 |
| <b>Note 14 : Loans : Current</b>                                                                                         |                |                |
| <b>(Unsecured, considered good unless otherwise stated)</b>                                                              |                |                |
| Loans to related parties (refer note 48)                                                                                 | 68             | 2,009          |
| <b>Total</b>                                                                                                             | <b>68</b>      | <b>2,009</b>   |
| <b>Note 15 : Other Financial Assets : Current</b>                                                                        |                |                |
| <b>(Unsecured, considered good unless otherwise stated)</b>                                                              |                |                |
| <b>Unbilled Revenue (refer note 48)</b>                                                                                  | <b>20,176</b>  | <b>17,452</b>  |
| <b>Interest Receivable</b>                                                                                               |                |                |
| On Bank Deposits                                                                                                         | 17             | 38             |
| On Term Deposits with Financial Institutions                                                                             | 484            | 259            |
| On Non Convertible Debentures                                                                                            | 382            | 10             |
| From related parties (refer note 48)                                                                                     | 16             | 96             |
|                                                                                                                          | <b>899</b>     | <b>403</b>     |
| <b>Lease Receivable (refer note 45)</b>                                                                                  | <b>275</b>     | <b>188</b>     |
| <b>Advances to Related Parties (refer note 48)</b>                                                                       | <b>888</b>     | <b>574</b>     |
| <b>Contractually Reimbursable Expenses (refer note 48)</b>                                                               |                |                |
| Considered Good                                                                                                          | 388            | 256            |
| Credit Impaired                                                                                                          | 30             | 50             |
| Less: Allowance for expected credit loss                                                                                 | 30             | 50             |
|                                                                                                                          | <b>388</b>     | <b>256</b>     |
| <b>Foreign currency derivative assets (refer note 46)</b>                                                                | <b>2,349</b>   | <b>3,375</b>   |
| <b>Others</b>                                                                                                            | <b>81</b>      | <b>104</b>     |
| <b>Total</b>                                                                                                             | <b>25,056</b>  | <b>22,352</b>  |
| <b>Note-16 : Other Current Assets</b>                                                                                    |                |                |
| <b>(Unsecured)</b>                                                                                                       |                |                |
| <b>Considered good</b>                                                                                                   |                |                |
| Advances to employees                                                                                                    | 638            | 511            |
| Prepaid Expenses (including rentals for leasehold land)                                                                  | 2,370          | 2,487          |
| Contract Asset (refer note 44)                                                                                           | 2,862          | -              |
| Deferred contract costs                                                                                                  | 814            | 828            |
| Balance with Government Authorities                                                                                      | 4,906          | 5,836          |
| Other Advances (refer note below)                                                                                        | 7,417          | 5,450          |
| <b>Sub total</b>                                                                                                         | <b>19,007</b>  | <b>15,112</b>  |
| <b>Considered doubtful</b>                                                                                               | <b>314</b>     | <b>289</b>     |
| Less: Allowance for amounts considered doubtful                                                                          | 314            | 289            |
| <b>Sub total</b>                                                                                                         | <b>-</b>       | <b>-</b>       |
| <b>Total</b>                                                                                                             | <b>19,007</b>  | <b>15,112</b>  |
| <b>Note: Others Loans and Advances mainly include :</b>                                                                  |                |                |
| - Amount deposited and held in escrow account towards Aberdeen UK settlement consideration and interest. (refer note 36) | 4,704          | 3,628          |
| - Amount deposited and held in escrow account towards Aberdeen US claims settlement consideration. (refer note 36)       | 840            | 648            |
| - Amount deposited and held in initial escrow account towards class action settlement consideration.                     | 265            | 265            |

| Particulars                                                                                      | March 31, 2019     |              | March 31, 2018     |              |
|--------------------------------------------------------------------------------------------------|--------------------|--------------|--------------------|--------------|
|                                                                                                  | Number             | ₹ in Million | Number             | ₹ in Million |
| <b>Note 17 : Equity Share Capital</b>                                                            |                    |              |                    |              |
| <b>Authorised</b>                                                                                |                    |              |                    |              |
| Equity shares of ₹ 5/- each                                                                      | 1,586,300,000      | 7,932        | 1,586,200,000      | 7,931        |
| <b>Issued, Subscribed and Paid up</b>                                                            | 983,362,470        | 4,917        | 979,733,808        | 4,899        |
| Less: Equity Shares of ₹ 5 each fully paid up issued to ESOP Trust but not allotted to employees | 93,840             | 0            | 415,180            | 2            |
| <b>Adjusted : Issued, Subscribed and Paid up Share Capital</b>                                   | <b>983,268,630</b> | <b>4,917</b> | <b>979,318,628</b> | <b>4,897</b> |
| <b>Reconciliation of number of Equity Shares and amount outstanding</b>                          |                    |              |                    |              |
| Shares outstanding at the beginning of the period                                                | 979,733,808        | 4,899        | 974,096,080        | 4,870        |
| Shares issued during the period pursuant to employee stock option plans                          | 3,628,662          | 18           | 5,637,728          | 29           |
| <b>Total</b>                                                                                     | <b>983,362,470</b> | <b>4,917</b> | <b>979,733,808</b> | <b>4,899</b> |
| Less : Shares issued to ESOP Trust but not allotted to employees                                 | 93,840             | 0            | 415,180            | 2            |
| <b>Adjusted : Issued, Subscribed and Paid up Share Capital</b>                                   | <b>983,268,630</b> | <b>4,917</b> | <b>979,318,628</b> | <b>4,897</b> |

**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         | As at              |              | As at              |              |
|-----------------------------|--------------------|--------------|--------------------|--------------|
|                             | March 31, 2019     |              | March 31, 2018     |              |
|                             | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Mahindra & Mahindra Limited | 256,248,704        | 26           | 256,248,704        | 26           |
| TML Benefit Trust           | 96,000,000         | 10           | 96,000,000         | 10           |

- 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) were allotted as Bonus shares during the year ended March 31, 2015.
- Each Equity Share entitles the holder to one vote and carries an equal right to dividend.
- Refer note 50 for details relating to stock options.
- The shareholders at the Annual General Meeting held on July 31, 2018 approved dividend of ₹ 14 per equity share for year ended March 31, 2018 which was subsequently paid during the quarter ended September 30, 2018. The amount was recognized as distributions to equity shareholders, the total appropriation was ₹ 16,411 Million including corporate dividend tax of ₹ 2,682 Million.
- On May 21, 2019 the board of directors of the company have proposed a final dividend of ₹ 14 per share in respect of year ended March 31, 2019 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in cash outflow of ₹ 16,597 Million inclusive of dividend distribution tax of ₹ 2,830 Million.
- The Board of Directors of the Company at its meeting held on February 21, 2019 approved a proposal to buyback upto 20,585,000 equity shares of the Company for an aggregate amount not exceeding ₹ 19,556 Million being 2.09% of the total paid up equity share capital at ₹ 950 per equity share. Letter of Offer was issued to all eligible shareholders holding shares as on March 6, 2019. The period for tendering of shares for buyback was from March 25, 2019 to April 5, 2019. The intimation regarding acceptance or non-acceptance of tendered equity shares to the stock exchange was made on April 12, 2019, the bids were settled and payment was made to shareholders on April 15, 2019. The unaccepted shares were returned to eligible shareholders on April 16, 2019. Pursuant to the issuance of Letter of Offer, the Company has recorded a payable of ₹ 19,556 Million as at March 31, 2019 as contractual financial liability. (refer note 22)
- The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The Company is not subject to any externally imposed capital requirements. The Company's risk management committee reviews the capital structure of the Company on an ongoing basis. As part of this review, the committee considers the cost of capital and the risks associated with capital.

₹ in Million

| Particulars                                                                    | As at          |                |
|--------------------------------------------------------------------------------|----------------|----------------|
|                                                                                | March 31, 2019 | March 31, 2018 |
| <b>Note 18 : Other Equity</b>                                                  |                |                |
| <b>Share Application Money</b>                                                 |                |                |
| Opening Balance                                                                | 23             | 19             |
| Add : Received during the year                                                 | 366            | 252            |
| Less: Shares allotted                                                          | 361            | 247            |
| Refunded during the year                                                       | 8              | 1              |
| Closing Balance                                                                | 20             | 23             |
| <b>Capital Reserve</b>                                                         |                |                |
| Opening Balance                                                                | 60             | 60             |
| Closing Balance                                                                | 60             | 60             |
| <b>Securities Premium Account</b>                                              |                |                |
| Opening Balance                                                                | 35,387         | 32,990         |
| Add: Transfer on allotment of Equity Shares                                    | 343            | 219            |
| Transferred from share option outstanding account on exercise of stock options | 1,262          | 2,168          |
| Allotment of shares by ESOP Trust to Employees                                 | 2              | 10             |
| Less: Contractual obligation for Buyback (refer note 17(vi))                   | 19,453         | -              |
| Closing Balance                                                                | 17,541         | 35,387         |
| <b>Share Options Outstanding Account (refer note 2.13 and 50)</b>              |                |                |
| Opening Balance                                                                | 4,022          | 5,430          |
| Add : Amortised Amount of Share Based Payments to Employees (net) for the year | 1,234          | 811            |
| Less : Transferred to Securities Premium Account on exercise of stock options  | 1,262          | 2,168          |
| Transfer to retained earnings on account of options lapsed                     | 62             | 51             |
| Closing Balance                                                                | 3,932          | 4,022          |
| <b>Retained Earnings</b>                                                       |                |                |
| Opening balance as reported                                                    | 150,495        | 120,789        |
| On account of business combination under common control (refer note 33)        | -              | 24             |
|                                                                                | 150,495        | 120,813        |
| Add : Profit for the year                                                      | 43,804         | 39,939         |
| Other Comprehensive Income                                                     | 8              | 128            |
| Others                                                                         | 23             | (33)           |
| Transferred from Special Economic Zone re-investment reserve on utilisation    | 2,232          | -              |
| Transfer to retained earnings on account of options lapsed                     | 62             | 51             |
| Less : Equity Dividend (including Tax on Dividends)                            | 16,411         | 10,361         |
| Transferred to Special Economic Zone re-investment Reserve                     | 8,160          | 42             |
| Contractual obligation for Buyback (refer note 17(vi))                         | 103            | -              |
| Closing Balance                                                                | 171,950        | 150,495        |

| Particulars                                                                                                                                                                                           | ₹ in Million   |                |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                                                                                                                       | As at          |                |
|                                                                                                                                                                                                       | March 31, 2019 | March 31, 2018 |
| <b>Note 18 : Other Equity (Contd.)</b>                                                                                                                                                                |                |                |
| <b>Cash Flow Hedging reserve (refer note 46)</b>                                                                                                                                                      |                |                |
| Opening Balance                                                                                                                                                                                       | 650            | 4,765          |
| Add : Movement during the year                                                                                                                                                                        | 1,763          | (4,115)        |
| Closing Balance                                                                                                                                                                                       | 2,413          | 650            |
| <b>Equity Instruments through Other Comprehensive Income</b>                                                                                                                                          |                |                |
| Opening Balance                                                                                                                                                                                       | (228)          | (19)           |
| Add : Movement during the year (Net)                                                                                                                                                                  | (101)          | (209)          |
| Closing Balance                                                                                                                                                                                       | (329)          | (228)          |
| <b>Special Economic Zone Reinvestment Reserve</b>                                                                                                                                                     |                |                |
| Opening Balance                                                                                                                                                                                       | 42             | -              |
| Add : Transfer to Special Economic Zone re-investment Reserve                                                                                                                                         | 8,160          | 42             |
| Less : Transfer from Special Economic Zone re-investment Reserve on utilization                                                                                                                       | 2,232          | -              |
| Closing Balance                                                                                                                                                                                       | 5,970          | 42             |
| <b>Total</b>                                                                                                                                                                                          | <b>201,557</b> | <b>190,451</b> |
| <b>Note 19: Borrowings : Non Current</b>                                                                                                                                                              |                |                |
| <b>Measured at amortised cost</b>                                                                                                                                                                     |                |                |
| <b>Secured Borrowings:</b>                                                                                                                                                                            |                |                |
| Finance Lease Obligations (refer note 45)                                                                                                                                                             | 43             | 1,450          |
| Lease obligations are secured by assets financed through the finance lease arrangements and are repayable in monthly / quarterly installments over a period of 1-5 years and carry a finance charge.) |                |                |
| <b>Total</b>                                                                                                                                                                                          | <b>43</b>      | <b>1,450</b>   |
| <b>Note 20: Other Financial Liabilities : Non Current</b>                                                                                                                                             |                |                |
| Creditors for capital supplies/services                                                                                                                                                               | 1,148          | 3,276          |
| Contractual Obligation                                                                                                                                                                                | 321            | 131            |
| Foreign currency Derivative liabilities (refer note 46)                                                                                                                                               | 101            | 652            |
| Financial Guarantee Contracts                                                                                                                                                                         | 462            | 553            |
| <b>Total</b>                                                                                                                                                                                          | <b>2,032</b>   | <b>4,612</b>   |
| <b>Note 21 : Provisions : Non Current</b>                                                                                                                                                             |                |                |
| <b>Provision for employee benefits</b>                                                                                                                                                                |                |                |
| Gratuity (refer note 42)                                                                                                                                                                              | 2,559          | 2,351          |
| Compensated absences and long service awards                                                                                                                                                          | 1,541          | 1,603          |
| <b>Total</b>                                                                                                                                                                                          | <b>4,100</b>   | <b>3,954</b>   |

₹ in Million

| Particulars                                                                                                                                                                                                                                                                   | As at          |                |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                                                                                                                                                                                               | March 31, 2019 | March 31, 2018 |
| <b>Note 22: Other Financial Liabilities : Current</b>                                                                                                                                                                                                                         |                |                |
| Current maturities of Finance Lease Obligations (refer note 45)<br>(Lease obligations are secured by the assets financed through the finance lease arrangements and are repayable in monthly / quarterly installments over a period of 1-5 years and carry a finance charge.) | 83             | 1,098          |
| Foreign currency Derivative Liabilities (refer note 46)                                                                                                                                                                                                                       | 529            | 1,345          |
| Creditors for capital supplies/services                                                                                                                                                                                                                                       | 2,970          | 2,850          |
| Accrued Salaries and Benefits                                                                                                                                                                                                                                                 | 3,104          | 2,937          |
| Interest payable on borrowings                                                                                                                                                                                                                                                | 1              | 32             |
| Unclaimed dividends                                                                                                                                                                                                                                                           | 177            | 100            |
| Other Contractual Obligation                                                                                                                                                                                                                                                  | 144            | 759            |
| Financial Guarantee Contracts                                                                                                                                                                                                                                                 | 72             | 75             |
| Discounts payable to Customers                                                                                                                                                                                                                                                | 519            | 1,294          |
| Contractual obligation for Buyback (refer note 17(vi))                                                                                                                                                                                                                        | 19,556         | -              |
| <b>Total</b>                                                                                                                                                                                                                                                                  | <b>27,155</b>  | <b>10,490</b>  |
| <b>Note 23 : Other Current Liabilities</b>                                                                                                                                                                                                                                    |                |                |
| Advances received from customers                                                                                                                                                                                                                                              | 1,962          | 1,844          |
| Unearned Revenue (refer note 44)                                                                                                                                                                                                                                              | 1,239          | 974            |
| Statutory Dues                                                                                                                                                                                                                                                                | 2,067          | 1,843          |
| Others (refer note below)                                                                                                                                                                                                                                                     | 6,842          | 5,579          |
| <b>Total</b>                                                                                                                                                                                                                                                                  | <b>12,110</b>  | <b>10,240</b>  |
| <b>Note: Others mainly include :</b>                                                                                                                                                                                                                                          |                |                |
| - Aberdeen UK Claims settlement consideration (including interest) (refer note 36)                                                                                                                                                                                            | 4,704          | 3,628          |
| - Aberdeen US claim settlement consideration (refer note 36)                                                                                                                                                                                                                  | 840            | 648            |
| - Class action suit settlement consideration                                                                                                                                                                                                                                  | 265            | 265            |
| <b>Note 24 : Provisions : Current</b>                                                                                                                                                                                                                                         |                |                |
| <b>Provision for employee benefits</b>                                                                                                                                                                                                                                        |                |                |
| Gratuity (refer note 42)                                                                                                                                                                                                                                                      | 265            | 236            |
| Compensated absences and long service awards                                                                                                                                                                                                                                  | 1,027          | 1,330          |
| <b>Other Provisions</b>                                                                                                                                                                                                                                                       |                |                |
| Provision for Claims (refer note 31)                                                                                                                                                                                                                                          | 123            | 70             |
| Provision for Contingencies (refer note 32)                                                                                                                                                                                                                                   | 327            | 327            |
| Others                                                                                                                                                                                                                                                                        | 255            | 427            |
| <b>Total</b>                                                                                                                                                                                                                                                                  | <b>1,997</b>   | <b>2,390</b>   |

| Particulars                                                                        | ₹ In Million   |                |
|------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                    | Year ended     |                |
|                                                                                    | March 31, 2019 | March 31, 2018 |
| <b>Note 25 : Other Income</b>                                                      |                |                |
| Interest Income                                                                    | 1,959          | 1,369          |
| Dividend Income on Investments / Distributions from benefit trust                  | 2,689          | 4,829          |
| Profit on sale of Investments carried at fair value through profit and loss        | 667            | 450            |
| Gain/(Loss) on investments carried at fair value through profit and loss           | 1,545          | 788            |
| Net gain on disposal of Property, Plant and Equipment and Intangible Assets        | 149            | 82             |
| Net gain on disposal of Immovable property (Assets held for sale)                  | -              | 1,488          |
| Rental income                                                                      | 296            | 256            |
| Foreign Exchange Gain / Loss (net)                                                 | 1,437          | 7,223          |
| Miscellaneous Income                                                               | 859            | 795            |
| <b>Total</b>                                                                       | <b>9,601</b>   | <b>17,280</b>  |
| <b>Note 26 : Employee Benefit Expenses</b>                                         |                |                |
| Salaries and wages                                                                 | 78,011         | 75,148         |
| Contribution to provident and other funds                                          | 4,128          | 3,813          |
| Gratuity (refer note 42)                                                           | 626            | 683            |
| Share Based Payments to Employees (refer note 50)                                  | 1,091          | 713            |
| Staff welfare expenses                                                             | 584            | 883            |
| <b>Total</b>                                                                       | <b>84,440</b>  | <b>81,240</b>  |
| <b>Note 27 : Finance Costs</b>                                                     |                |                |
| Interest Expense                                                                   | 343            | 235            |
| Others                                                                             | 88             | 473            |
| <b>Total</b>                                                                       | <b>431</b>     | <b>708</b>     |
| <b>Note 28 : Depreciation and Amortisation Expense</b>                             |                |                |
| Depreciation / Amortisation on Property, Plant and Equipment and Intangible assets | 6,422          | 6,379          |
| Depreciation on Investment Property                                                | 165            | 184            |
| <b>Total</b>                                                                       | <b>6,587</b>   | <b>6,563</b>   |

₹ In Million

| Particulars                                                               | Year ended           |                      |
|---------------------------------------------------------------------------|----------------------|----------------------|
|                                                                           | March 31, 2019       | March 31, 2018       |
| <b>Note 29 : Other Expenses</b>                                           |                      |                      |
| Power and Fuel Expenses                                                   | 1,363                | 1,362                |
| Rent                                                                      | 1,582                | 1,531                |
| Rates and Taxes                                                           | 694                  | 367                  |
| Communication Expenses                                                    | 1,898                | 1,743                |
| Travelling Expenses                                                       | 5,354                | 4,467                |
| Recruitment Expenses                                                      | 485                  | 301                  |
| Training                                                                  | 139                  | 173                  |
| Cab Hire Charges                                                          | 1,199                | 1,074                |
| Legal and Other Professional Fees                                         | 1,642                | 1,243                |
| Repair and Maintenance Expenses                                           |                      |                      |
| Buildings (including leased premises)                                     | 261                  | 254                  |
| Machinery and Computers                                                   | 1,452                | 1,688                |
| Others                                                                    | 547                  | 551                  |
|                                                                           | <u>2,260</u>         | <u>2,493</u>         |
| Insurance Charges                                                         | 1,552                | 1,595                |
| Software, Hardware and Project Specific Expenses                          | 11,317               | 6,987                |
| Advertisement, Promotion & Selling Expenses                               | 688                  | 376                  |
| General Office Expenses                                                   | 1,154                | 1,110                |
| Allowances for Doubtful Receivables and Bad Debts written off (net)       |                      |                      |
| Provided / (Reversed) during the period                                   | 151                  | (883)                |
| Bad Debts written off                                                     | 1,232                | 786                  |
|                                                                           | <u>1,383</u>         | <u>(97)</u>          |
| Allowances for Doubtful Advances, Deposits and Advances written off (net) |                      |                      |
| Provided / (Reversed) during the period                                   | 22                   | (323)                |
| Advances written off                                                      | 5                    | 374                  |
|                                                                           | <u>27</u>            | <u>51</u>            |
| Donations                                                                 | 13                   | 5                    |
| Corporate Social Responsibility Expenditure (refer note below)            | 859                  | 716                  |
| Provision for Impairment of Non-Current Investment                        | 1,029                | 330                  |
| Miscellaneous Expenses                                                    | 221                  | 605                  |
| <b>Total</b>                                                              | <u><u>34,859</u></u> | <u><u>26,432</u></u> |

**Note : Corporate Social Responsibility Expenditure**

- Gross amount required to be spent by the Company during the year is ₹ 844 Million (previous year ₹ 716 million) (calculated at 2% of the average net profits of the Company 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*                        | -<br>(-)     | -<br>(-)               | -<br>(-)     |
| On purposes other than Construction/acquisition of any asset* | 859<br>(716) | -<br>(-)               | 859<br>(716) |

\* Numbers in brackets pertains to previous year.

**30 Commitments and Contingencies****30.1 Capital Commitments**

The estimated amount of contracts remaining to be executed on capital account (net of capital advances) as at March 31, 2019 is ₹ 1,288 Million (March 31, 2018: ₹ 1,046 Million).

**30.2 Purchase commitments in respect of investments**

- i. During the year ended March 31, 2016, the Company had 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 (₹ 2,766 Million) as a limited partner in Northgate. There is an ongoing arbitration between Northgate and the Company pertaining to the Company's capital commitment. Management believes that this matter will be resolved in the Company's favour during the arbitration proceedings.
- ii. The Company has entered into an agreement to acquire 100% stake in Dynacommerce Holdings B.V. vide Share Purchase Agreement dated January 31, 2019 with purchase consideration of EUR 0.48 Million (₹ 37 Million). The purchase price allocation for the business combination is under process as on the date the financial statements are approved for issue and hence the fair value of net assets acquired and the goodwill to be recognized from the business combination has not been finalized.

**30.3 Bank guarantees and letters of comfort**

- i. Bank Guarantees outstanding as at March 31, 2019: ₹ 18,602 Million (March 31, 2018: ₹ 18,470 Million).
- ii. Letters of support/letters of comfort of USD 79 Million : ₹ 5,463 Million (March 31, 2018: USD 75 Million, ₹ 4,855 Million) to banks for loans availed by step down subsidiaries of the Company.

**30.4 Contingent Liabilities for Taxation Matters****30.4.1 Contingent Liabilities in respect of Income Taxes/ Service Tax/Value Added Tax/Customs and International tax to the extent not provided for**

₹ in Million

| Contingent Liabilities to the extent not provided for          | As at          |                |
|----------------------------------------------------------------|----------------|----------------|
|                                                                | March 31, 2019 | March 31, 2018 |
| - Matters relating to Income Tax                               | 28,471         | 29,043         |
| - Matters relating to Service Tax                              | 17,702         | 17,701         |
| - Matters relating to VAT/CST/Entry Tax/Custom Duty/Stamp Duty | 257            | 257            |
| - Matters relating to International Tax                        | 1,516          | 1,075          |

**Details of major cases in respect of Income Taxes/ Service Tax/Value Added Tax/Customs and International tax matters**

| Nature of dues | Pertaining to  | Period                 | Matters Included                                                                                                                                | As at          |                |
|----------------|----------------|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                |                |                        |                                                                                                                                                 | March 31, 2019 | March 31, 2018 |
| Income-tax     | TechM          | 2002-2003 to 2017-2018 | Adjustments on account of various expenses disallowed by taxation authority and interest u/s 234 a,b,c                                          | 3,802          | 3,889          |
| Income-tax     | Erstwhile MSat | 2002-2003 to 2007-2008 | Adjustment to exemption under section 10A, various adjustments to total income and correct quantification of income. (refer footnote (i) below) | 4,024          | 4,024          |

| Nature of dues                 | Pertaining to  | Period                      | Matters Included                                                                                                                                                                                                            | As at          |                |
|--------------------------------|----------------|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                |                |                             |                                                                                                                                                                                                                             | March 31, 2019 | March 31, 2018 |
| Income-tax                     | Erstwhile MSat | 2001-2002                   | Transfer Pricing adjustment and various adjustments to the total income (refer footnote (ii) below)                                                                                                                         | 7,948          | 7,948          |
| Income-tax                     | Erstwhile MSat | 2006-2007                   | Transfer Pricing adjustment and various adjustments to the total income (refer footnote (ii) below)                                                                                                                         | 9,637          | 9,637          |
| Service Tax                    | TechM          | May 2008 to July 2013       | Onsite services rendered by overseas branches considered as import of service                                                                                                                                               | 12,753         | 12,753         |
| Service Tax                    | TechM          | July 2012 to September 2014 | 1. Onsite services provided by overseas subsidiaries/ branches are not considered as export of service<br>2. Disallowance of Cenvat credit for service tax paid under reverse charge mechanism related to overseas branches | 3,196          | 3,196          |
| Andra Pradesh VAT              | Erstwhile MSat | 2002-2003 to 2010-2011      | Software development services considered as sale of goods                                                                                                                                                                   | 231            | 231            |
| International Tax - Tanzania.  | TechM          | 2013 & 2014                 | Dispute on account of withholding taxes/ VAT/ Corporate tax                                                                                                                                                                 | 86             | 774            |
| International Tax – New Jersey | Tech M         | July 2005 to September 2009 | Dispute on corporate business tax, payroll tax and Sales and Use Tax (S&U Tax)                                                                                                                                              | 948            | -              |

## Abbreviations:

|                |                                  |
|----------------|----------------------------------|
| TechM          | Tech Mahindra Limited            |
| Erstwhile MSat | Satyam Computer Services Limited |

## 30.4.2 Footnotes to the Schedule

### i. Petition before Hon'ble High Court of Judicature at Hyderabad: Financial years 2002-2003 to 2007-2008

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 2002-2003 to 2007-2008 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 BG has been extended upto October 14, 2019.

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. Erstwhile Satyam filed a writ petition in the Hon'ble High Court of Andhra Pradesh that has granted a stay on the provisional attachment order.

**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 ₹ 9,637 Million for the financial years 2001-2002 and 2006-2007, respectively, proposing adjustments to the total income, including adjustments on account of Transfer Pricing. 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 2001-2002, 2002-2003, 2006-2007, 2007-2008 and 2008-2009 on various dates. Erstwhile Satyam had filed petitions before Hon'ble High Court of Andhra Pradesh challenging the special audits, which are pending disposal.

**30.5 Other Claims on the Company not acknowledged as debts**

- Claims against erstwhile Satyam not acknowledged as debts: ₹ 1,411 Million (March 31, 2018 ₹ 1,389 Million).
- Claims made on the Company not acknowledged as debts: ₹ 213 Million (March 31, 2018 ₹ 113 Million).
- The Company has received an order passed under section 7A of Employees Provident Fund & Miscellaneous Provisions Act, 1952 for the period March 2013 to April 2014 from Employees Provident Fund Organization (EPFO) claiming provident fund contribution amounting to ₹ 2,448 million for employees deputed to non-SSA (Countries with which India do not have Social Security Agreement) countries. The Company has assessed that it has legitimate grounds for appeal, and has contested the order by filing an appeal which is pending before Central Government Industrial Tribunal. The Company has also submitted a bank guarantee of ₹ 500 million towards this order.

The Company has also received a notice based on inquiry under section 7A for the period May 2014 to March 2016 indicating a claim of ₹ 5,668 Million on (a) employees deputed to non – SSA countries and (b) certain allowances paid to employees. Further based on recent Supreme Court Judgement, the Company has reassessed the components to be included in basic salary for the purpose of contribution towards Provident Fund and based on legal advice believes that there would be no additional liability on the Company.

- Others ₹ 407 Million (March 31, 2018 ₹ 407 Million).
- Claim against the Company for transfer of land in SEZ at Nagpur considered by Maharashtra Airport Development Company Limited (MADC) as 'non-formal transfer' as per its Transfer Policy and claiming the transfer fee of ₹ 152 Million.

**30.6 Delay in Conveyance of Immovable Properties**

Pursuant to the Scheme of Amalgamation and Arrangement ('the Scheme') sanctioned by the Hon'ble High Courts of Andhra Pradesh and Bombay, 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) (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'). 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. The Company has initiated the name change formalities.

## 31 Provision for Claims

The details of provision for claims are as follows:

₹ In Million

| Particulars                    | As at          |                |
|--------------------------------|----------------|----------------|
|                                | March 31, 2019 | March 31, 2018 |
| Opening balance                | 70             | 269            |
| Provision made during the year | 78             | 398            |
| Reversals during the year      | -              | (21)           |
| Utilisation during the year    | (25)           | (576)          |
| Closing balance                | 123            | 70             |

## 32 Provision for contingencies

The Company carries a provision for contingencies towards various claims made/anticipated against the Company based on the Management's assessment. The movement in the said provisions is summarized below:

₹ in Million

| Particulars                 | As at          |                |
|-----------------------------|----------------|----------------|
|                             | March 31, 2019 | March 31, 2018 |
| Opening Balance             | 327            | 372            |
| Utilisation during the year | -              | (45)           |
| Closing Balance             | 327            | 327            |

## 33 Merger/Amalgamation of entities

Following companies have been merged with the Company by approved schemes and have been accounted as per 'pooling of interests' method in accordance with Appendix C of Ind AS 103 'Business Combinations'. Comparatives have been restated from the beginning of the previous year i.e. from April 1, 2017 as required by IND AS 103.

- All assets and liabilities of Sofgen India Private Limited have been taken over as per approved high court scheme of merger.
- Certain assets and liabilities of Sofgen UK Limited have been taken over as per approved scheme of merger.

## 34 Diminution in value of Investments in Subsidiaries and Associates

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 already provided for in the books of account.

During the year ended March 31, 2019, the Company established a provision of ₹ 9 Million for diminution in value of investment in Tech Mahindra Growth Factories Limited, a 100% subsidiary of the company and in IQS Information Solutions WLL, an Associate of the company.

The Company based on market conditions and business projections, assessed the recoverable amount for investment in Tech Mahindra Servicos De Informatica Ltda (wholly owned subsidiary in Brazil), which represents a single cash generating unit (CGU) as at March 31, 2019. This resulted in an impairment charge of ₹ 1,020 Million recognised in statement of profit and loss account.

## 35A. 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 violations of Companies Act, 1956, which were compounded.

Further, ED issued show-cause notices for certain non-compliances of provisions of the Foreign Exchange Management Act, 1999 ('FEMA') and the Foreign Exchange Management (Realisation, Repatriation and Surrender of Foreign Exchange) Regulations, 2000 by the erstwhile Satyam. These pertained to

- a) alleged non-repatriation of American Depository Receipts ('ADR') proceeds aggregating to USD 39.2 Million; and
- b) non-realisation and repatriation of export proceeds to the extent of foreign exchange equivalent to ₹ 506 Million for invoices raised during the period from July 1997 to December 31, 2002.

These have been responded to by the erstwhile Satyam/the Company, the Company has not received any further communication in this regard and with the passage of time, the Company does not expect any further proceedings 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, were 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.

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

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 and August 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 was 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), of which one petition has been converted into suit and balance 36 petitions are at various stages of pauperism/suit admission.

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 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 Judicature at Hyderabad quashed the said Provisional attachment Order and directed Banks to release the Fixed deposits to the Company vide its Order dated December 31, 2018. Accordingly, these deposits have been released by the Banks.

Criminal prosecution was initiated by the ED against SCSL, since merged with Tech Mahindra Limited (Company) under Section 3 of The Prevention of Money-Laundering Act, 2002 for alleged money laundering along with 212 accused persons. Upon an application challenging the prosecution against the Company, the Hon'ble High Court of Andhra Pradesh quashed the proceedings by its Order dated December 22, 2014. The appeal preferred by the ED challenging the order of quashing the prosecution before the Division Bench of the Hon'ble High Court was dismissed by an order dated March 30, 2017 and confirmed the order of quashing. A Special Leave Petition was filed by ED before the Hon'ble Supreme Court of India. By an order dated December 8, 2017, the Hon'ble Supreme Court dismissed the SLP filed by the ED and affirmed the order of the Single Judge quashing the prosecution against the Company.

In view of the aforesaid developments and 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, the Company has accounted and disclosed the amount of ₹ 12,304 Million as 'Suspense Account (net)'.

## 36 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, (together referred to as 'Aberdeen') the erstwhile Satyam had 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.

In the meanwhile, Commissioner of Income Tax Mumbai has filed two writ petitions before the Hon'ble High Court of Bombay, seeking to set aside the orders of Authority for Advance Ruling dated February 15, 2016, which ruled that no withholding tax is applicable for remittance of Settlement Amount. The above writ petitions have been disposed off by the Prothonotary authority of non-removal of office objections.

Considering the disposal of writs filed by the Commissioner of Income Tax Mumbai and no subsequent action being taken by the Income tax department to restore such writs / file fresh writ petitions before the Hon'ble High Court of Bombay. The Company is in discussions with Aberdeen trusts to obtain letters of indemnity from the claimants, indemnifying the Company in regard to future actions by Indian Income tax department. Post receipt of such letters, the Company seeks to remit the Settlement amounts to Aberdeen trusts.

## 37 Details of the investment property and its fair value

The Company has assessed the fair valuation of its investment property as at March 31, 2019 from a Government registered independent valuer.

The fair values of investment properties are given below:

| Description          | ₹ in Million   |                |
|----------------------|----------------|----------------|
|                      | As at          |                |
|                      | March 31, 2019 | March 31, 2018 |
| Land                 | 801            | 691            |
| Building             | 793            | 815            |
| Plant & Machinery    | 535            | 603            |
| Furniture & Fixtures | 92             | 106            |
| Office Equipment     | 2              | 3              |
| <b>Total</b>         | <b>2,223</b>   | <b>2,218</b>   |

**38 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 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'). VGE disputed the Award in the Courts in Michigan, USA.

The Courts in Michigan, USA, confirmed and directed enforcement of the Award. They also rejected VGE's challenge of 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 their appointment at its Board meeting held on June 26, 2008. The erstwhile Satyam was legally advised that SVES became its subsidiary 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 Hon'ble 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 the interests 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 Hon'ble High Court (SVES Appeal).

The Hon'ble 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 Hon'ble High Court as an interim measure ordered status quo with regard to transfer of shares. 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 Hon'ble High Court Order of status-quo on the transfer of shares. The Company has also filed a Special Leave Petition ('SLP') before the Supreme Court of India challenging the judgment of the Hon'ble 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 Petitions are pending before the Supreme Court. The Hon'ble Bench of Supreme Court, in view of the difference of opinion by an order dated November 1, 2017 has directed the registry to place the SLP's before the Chief Justice of India for appropriate further course of action.

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 VGE and the Company.

**39 Foreign currency receivables**

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

- 40 Segment information has been presented in the Consolidated Financial Statements in accordance with Indian Accounting Standard Ind AS 108, Operating Segments as notified under the Companies (Indian Accounting Standard) Rules, 2015.
- 41 Based on the information available with the Company, there are below outstanding amounts payable to creditors who have been identified as “suppliers” within the meaning of “Micro, Small and Medium Enterprises Development (MSMED) Act, 2006”.

₹ In Million

| Particulars                                                    | As at          |          |                |          |
|----------------------------------------------------------------|----------------|----------|----------------|----------|
|                                                                | March 31, 2019 |          | March 31, 2018 |          |
|                                                                | Principle      | Interest | Principle      | Interest |
| Amounts due to vendor                                          | 18             | -        | 22             | -        |
| Principle amounts paid (includes unpaid) beyond appointed date | 3              | -        | 0              | -        |
| Interest due and payable for the year                          | -              | 0        | -              | -        |
| Interest accrued and remaining unpaid                          | -              | 0        | -              | -        |

‘0’ represents amount less than ₹ 1 Million

- 42 Details of employee benefits as required by the IND AS-19 – Employee Benefits are as under:

i. **Defined Contribution Plans**

The Company makes contributions to Provident Fund, Superannuation Fund and National Pension Scheme Fund 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 has recognized as an expense in the Statement of Profit and Loss the following:

- ₹ 27 Million (March 31, 2018: ₹ 25 Million) for National Pension Scheme contributions.
- ₹ 347 Million (March 31, 2018: ₹ 395 Million) for Superannuation Fund contributions; and
- ₹ 2,455 Million (March 31, 2018: ₹ 2,279 Million) for Provident Fund contributions.

ii. **Defined Benefit Plan**

The defined benefit plan comprises of gratuity. The gratuity plan is partially funded. Changes in Defined Benefit Obligation (‘DBO’) and Trust Fund plan assets recognized in the Balance Sheet are as under:

₹ in Million

| Particulars                                              | As at            |                  |
|----------------------------------------------------------|------------------|------------------|
|                                                          | March 31, 2019   | March 31, 2018   |
|                                                          | Partially Funded | Partially Funded |
| Defined benefit obligation at the beginning of the year  | 2,735            | 2,684            |
| Current Service cost                                     | 449              | 449              |
| Past Service Cost                                        | -                | 66               |
| Interest cost                                            | 188              | 175              |
| Others                                                   | 4                | 2                |
| Actuarial (gain)/loss – experience                       | (56)             | (149)            |
| Actuarial (gain)/loss – financial assumptions            | 50               | (47)             |
| Benefits paid                                            | (375)            | (445)            |
| <b>Defined benefit obligation at the end of the year</b> | <b>2,995</b>     | <b>2,735</b>     |

₹ in Million

| Change in Fair Value of Plan Assets                    | As at          |                |
|--------------------------------------------------------|----------------|----------------|
|                                                        | March 31, 2019 | March 31, 2018 |
| Fair value of plan assets at the beginning of the year | 149            | 139            |
| Others                                                 | 5              | 1              |
| Interest income on Plan Assets                         | 11             | 10             |
| Actuarial (gain)/loss on plan assets                   | 6              | (1)            |
| Fair value of plan assets at the end of the year       | 171            | 149            |

₹ in Million

| Particulars                                  | As at          |                |
|----------------------------------------------|----------------|----------------|
|                                              | March 31, 2019 | March 31, 2018 |
| Defined benefit obligation                   | 2,995          | 2,735          |
| Fair Value of Plan Assets                    | (171)          | (148)          |
| Net defined benefit obligation disclosed as: | 2,824          | 2,587          |
| - Current provisions                         | 265            | 236            |
| - Non current provisions                     | 2,559          | 2,351          |

As at March 31, 2019 and March 31, 2018 plan assets were primarily invested in insurer managed funds

₹ in Million

| Expense recognized in the Statement of Profit and Loss                  | For the year ended |                |
|-------------------------------------------------------------------------|--------------------|----------------|
|                                                                         | March 31, 2019     | March 31, 2018 |
| Current service cost                                                    | 449                | 449            |
| Others                                                                  | 0                  | 3              |
| Past Service Cost                                                       | 0                  | 66             |
| Interest cost on Defined Benefit obligation                             | 188                | 175            |
| Interest income on Plan Assets                                          | (11)               | (10)           |
| Expenses recognized in the Statement of Profit and Loss (refer note-26) | 626                | 683            |

₹ in Million

| Actuarial (Gain)/Loss recognized in Other Comprehensive Income | For the year ended |                |
|----------------------------------------------------------------|--------------------|----------------|
|                                                                | March 31, 2019     | March 31, 2018 |
| Actuarial (gain)/loss on defined benefit obligation            | (6)                | (195)          |
| Actuarial (gain)/loss on plan assets                           | (6)                | (1)            |
| Net (gain)/loss recognised in Other Comprehensive Income       | (12)               | (196)          |

| Principal Actuarial Assumptions (Non Funded) | As at                                                 |                                                       |
|----------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
|                                              | March 31, 2019                                        | March 31, 2018                                        |
| Discount Rate                                | 7.10%                                                 | 7.40%                                                 |
| 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 |
| Withdrawal Rate                              | 10% to 70%                                            | 10% to 70%                                            |

- 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.

Disclosure related to indication of effect of the defined benefit plan on the entity's future cash flows:

₹ in Million

| Payout in the next | March 31, 2019 | March 31, 2018 |
|--------------------|----------------|----------------|
| 1 year             | 449            | 397            |
| 1-2 years          | 458            | 444            |
| 2-3 years          | 516            | 467            |
| 3-4 years          | 555            | 531            |
| 4-5 years          | 620            | 575            |
| 5 years and beyond | 2,766          | 2,585          |

**Sensitivity analysis:** A quantitative sensitivity analysis for significant assumption as at March 31, 2019 and March 31, 2018 is as shown below:

₹ in Million

| Effect on DBO on account of 0.5 % change in the assumed rates: |               |               |                        |               |                 |             |
|----------------------------------------------------------------|---------------|---------------|------------------------|---------------|-----------------|-------------|
|                                                                | Discount Rate |               | Salary Escalation Rate |               | Withdrawal Rate |             |
| Year                                                           | 0.5% Increase | 0.5% Decrease | 0.5% Increase          | 0.5% Decrease | 5% Increase     | 5% Decrease |
| March 31, 2019                                                 | (83)          | 88            | 86                     | (82)          | (10)            | 2           |
| March 31, 2018                                                 | (76)          | 81            | 79                     | (76)          | 2               | (18)        |

The sensitivity results above determine their individual impact on Defined Benefit Obligation. In reality, the plan is subject to multiple external experience items which may move the defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

#### 43 Auditors' Remuneration (Exclusive of service tax/GST)

₹ in Million

| Particulars                              | For the year ended |                 |
|------------------------------------------|--------------------|-----------------|
|                                          | March 31, 2019     | *March 31, 2018 |
| Audit Fees (including quarterly audits)  | 38                 | 35              |
| For taxation matters                     | 5                  | 9               |
| For other service (certifications, etc.) | 14                 | 15              |
| For reimbursement of expenses            | 1                  | 1               |
| <b>Total</b>                             | <b>58</b>          | <b>60</b>       |

\*Includes an amount of ₹ 13 Million paid to the erstwhile auditors.

#### 44 Disclosures for Revenue from Contracts with Customers

##### (i) Disaggregation of revenue

Revenue disaggregation by nature of services is as follows:

₹ in Million

| Nature of services | March 31, 2019 | March 31, 2018 |
|--------------------|----------------|----------------|
| IT Services        | 253,390        | 222,884        |
| BPO                | 18,806         | 14,038         |
| <b>Total</b>       | <b>272,196</b> | <b>236,922</b> |

Revenue disaggregation by geography is as follows:

₹ in Million

| Geography         | March 31, 2019 | March 31, 2018 |
|-------------------|----------------|----------------|
| Americas          | 138,652        | 118,536        |
| Europe            | 79,711         | 71,544         |
| India             | 19,576         | 16,070         |
| Rest of the world | 34,257         | 30,772         |
| <b>Total</b>      | <b>272,196</b> | <b>236,922</b> |

Geographical revenue is allocated based on the location of the customer

**Industry vertical wise:**

| Industry vertical               | March 31, 2019 | March 31, 2018 |
|---------------------------------|----------------|----------------|
| Telecommunication               | 105,112        | 95,863         |
| Manufacturing                   | 46,531         | 37,192         |
| Media and Entertainment         | 19,179         | 17,455         |
| Banking and Finance             | 34,664         | 30,832         |
| Retail, Transport and Logistics | 20,412         | 18,256         |
| Others                          | 46,298         | 37,324         |
| <b>Total</b>                    | <b>272,196</b> | <b>236,922</b> |

**(ii) Remaining performance obligations**

The remaining performance obligations disclosure provides the aggregate amount of the transaction price yet to be recognised as of the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation for contracts where the entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in scope of contracts, periodic revaluations, adjustments for revenue that has not materialized and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as of March 31, 2019 other than those meeting the exclusion criteria mentioned above, is ₹ 185,262 Million. Out of this, the Company expects to recognise revenue of around 60% within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessments the occurrence of the same is expected to be remote.

**(iii) Contract assets and liabilities**

Changes in the contract assets balances during the year ended March 31, 2019 are as follows:

| ₹ in Million                                         |              |
|------------------------------------------------------|--------------|
| Particulars                                          | Total        |
| <b>Contract assets:</b>                              |              |
| <b>Balances as of April 1, 2018</b>                  | <b>1,348</b> |
| Add: Revenue recognised during the year              | 14,956       |
| Less: Invoiced during the year                       | 13,442       |
| <b>Balances as of March 31, 2019 (refer note 16)</b> | <b>2,862</b> |

Contract assets as on March 31, 2018 are included as a part of unbilled revenue.

Changes in the unearned revenue balances during the year ended March 31, 2019 are as follows:

| ₹ in Million                                                                                    |              |
|-------------------------------------------------------------------------------------------------|--------------|
| Particulars                                                                                     | Total        |
| <b>Unearned revenue :</b>                                                                       |              |
| <b>Balances as of April 1, 2018</b>                                                             | <b>974</b>   |
| Less: Revenue recognised that was included in the unearned revenue at the beginning of the year | 963          |
| Add: Invoiced during the year (excluding revenue recognized during the year)                    | 1,228        |
| <b>Balances as of March 31, 2019 (refer note 23)</b>                                            | <b>1,239</b> |

## (iv) Contract Price

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:  
The company has recognized revenue of ₹ 272,196 Million which is mainly adjusted by volume discounts of ₹ 6,650 Million for the year ended March 31, 2019.

## 45 Leases

- i. The Company has taken premises 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, 2019 is ₹ 1,770 Million, including ₹ 189 Million car lease expenses classified as employee benefit expenses (year ended March 31, 2018: ₹ 1,704 Million, including ₹ 181 Million car lease expenses classified as employee benefit expenses). The future lease payments of non-cancellable operating leases are as follows:

₹ in Million

| Particulars                                                                                                    | Not later than 1 year | Later than 1 year not later than 5 years | Later than 5 years |
|----------------------------------------------------------------------------------------------------------------|-----------------------|------------------------------------------|--------------------|
| Minimum Lease rentals payable (March 31, 2018: ₹ 862 Million, ₹ 2,424 Million and ₹ 757 Million respectively.) | 1,221                 | 1,677                                    | 556                |

- ii. The Company has taken computers, software, plant & equipment and vehicles on finance lease. The future lease rent payable on such finance leases is as follows:

₹ in Million

| Particulars                             | As at          |                |
|-----------------------------------------|----------------|----------------|
|                                         | March 31, 2019 | March 31, 2018 |
| Minimum lease payments                  |                |                |
| - Less than one year                    | 87             | 1,171          |
| - One to five years                     | 44             | 1,488          |
| <b>Total</b>                            | <b>131</b>     | <b>2,659</b>   |
| Present value of minimum lease payments |                |                |
| - Less than one year                    | 83             | 1,098          |
| - One to five years                     | 43             | 1,450          |
| <b>Total</b>                            | <b>126</b>     | <b>2,548</b>   |

- iii. The Company has given land and building on operating lease. The rental income recognized in the Statement of Profit and Loss for the year ended March 31, 2019 is ₹ 296 Million (year ended March 31, 2018: ₹ 256 Million). The future lease rentals receivable on such non-cancellable operating leases are as follows:

₹ in Million

| Particulars                                                                                                       | Not later than 1 year | Later than 1 year not later than 5 years | Later than 5 years |
|-------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------------------------|--------------------|
| Minimum Lease rentals receivable (March 31, 2018: ₹ 246 Million, ₹ 533 Million and ₹ 2,102 Million respectively.) | 202                   | 520                                      | 2,041              |

- iv. The Company has given computer equipment on finance lease. The future lease rentals receivable are as follows:

₹ in Million

| Particulars                                | As at          |                |
|--------------------------------------------|----------------|----------------|
|                                            | March 31, 2019 | March 31, 2018 |
| Minimum lease receivables                  |                |                |
| - Less than one year                       | 292            | 205            |
| - One to five years                        | 180            | 209            |
| <b>Total</b>                               | <b>472</b>     | <b>414</b>     |
| Present value of minimum lease receivables |                |                |
| - Less than one year                       | 275            | 188            |
| - One to five years                        | 158            | 191            |
| <b>Total</b>                               | <b>433</b>     | <b>379</b>     |

**46 Financial Risk Management Framework**

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions.

**Financial Instruments by category**

The carrying value and fair value of financial instruments by categories as of March 31, 2019 is as follows:

₹ in Million

| Particulars                                                              | Fair value through P&L | Fair value through OCI | Derivative instruments in hedging relationship | Amortised cost | Total carrying value | Total Fair Value* |
|--------------------------------------------------------------------------|------------------------|------------------------|------------------------------------------------|----------------|----------------------|-------------------|
| <b>Assets:</b>                                                           |                        |                        |                                                |                |                      |                   |
| Cash and cash equivalents                                                | -                      | -                      | -                                              | 9,581          | 9,581                | 9,581             |
| Other balances with banks                                                | -                      | -                      | -                                              | 2,504          | 2,504                | 2,504             |
| Trade receivables                                                        | -                      | -                      | -                                              | 59,633         | 59,633               | 59,633            |
| Investments (Other than in Subsidiary and interest in TML Benefit Trust) | 59,270                 | 21                     | -                                              | 11,000         | 70,291               | 70,291            |
| Loans                                                                    | -                      | -                      | -                                              | 68             | 68                   | 68                |
| Other financial assets                                                   | -                      | -                      | 4,638                                          | 24,977         | 29,615               | 29,615            |
| <b>Total</b>                                                             | <b>59,270</b>          | <b>21</b>              | <b>4,638</b>                                   | <b>107,761</b> | <b>171,692</b>       | <b>171,692</b>    |
| <b>Liabilities:</b>                                                      |                        |                        |                                                |                |                      |                   |
| Trade and other payables                                                 | -                      | -                      | -                                              | 28,880         | 28,880               | 28,880            |
| Borrowings                                                               | -                      | -                      | -                                              | 126            | 126                  | 126               |
| Other financial liabilities                                              | 465                    | -                      | 630                                            | 28,009         | 29,104               | 29,104            |
| <b>Total</b>                                                             | <b>465</b>             | <b>-</b>               | <b>630</b>                                     | <b>57,015</b>  | <b>58,110</b>        | <b>58,110</b>     |

The carrying value and fair value of financial instruments by categories as of March 31, 2018 is as follows:

₹ in Million

| Particulars                                                              | Fair value through P&L | Fair value through OCI | Derivative instruments in hedging relationship | Amortised cost | Total carrying value | Total Fair Value* |
|--------------------------------------------------------------------------|------------------------|------------------------|------------------------------------------------|----------------|----------------------|-------------------|
| <b>Assets:</b>                                                           |                        |                        |                                                |                |                      |                   |
| Cash and cash equivalents                                                | -                      | -                      | -                                              | 8,892          | 8,892                | 8,892             |
| Other balances with banks                                                | -                      | -                      | -                                              | 10,411         | 10,411               | 10,411            |
| Trade receivables                                                        | -                      | -                      | -                                              | 51,010         | 51,010               | 51,010            |
| Investments (Other than in Subsidiary and interest in TML Benefit Trust) | 39,693                 | 122                    | -                                              | 5,500          | 45,315               | 45,315            |
| Loans                                                                    | -                      | -                      | -                                              | 2,009          | 2,009                | 2,009             |
| Other financial assets                                                   | -                      | -                      | 3,721                                          | 20,766         | 24,487               | 24,487            |
| <b>Total</b>                                                             | <b>39,693</b>          | <b>122</b>             | <b>3,721</b>                                   | <b>98,588</b>  | <b>142,124</b>       | <b>142,124</b>    |
| <b>Liabilities:</b>                                                      |                        |                        |                                                |                |                      |                   |
| Trade and other payables                                                 | -                      | -                      | -                                              | 20,679         | 20,679               | 20,679            |
| Borrowings                                                               | -                      | -                      | -                                              | 2,548          | 2,548                | 2,548             |
| Other financial liabilities                                              | 890                    | -                      | 1,997                                          | 11,117         | 14,004               | 14,004            |
| <b>Total</b>                                                             | <b>890</b>             | <b>-</b>               | <b>1,997</b>                                   | <b>34,344</b>  | <b>37,231</b>        | <b>37,231</b>     |

\* The fair value of cash and cash equivalents, other balances with bank, trade receivables, unbilled receivables, loans, trade payables, borrowings and certain other financial assets and liabilities approximate their carrying amount largely due to the short term nature of these instruments.

## Fair value Hierarchy:

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

### The different levels have been defined as follows:

Level-1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level-2 – Inputs other than quoted prices included within level-1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level-3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

₹ in Million

| Particulars                      | As at March 31, 2019 |              |            |               |
|----------------------------------|----------------------|--------------|------------|---------------|
|                                  | Level 1              | Level 2      | Level 3    | Total         |
| <b>Financial assets:</b>         |                      |              |            |               |
| Mutual fund investments          | 37,508               | -            | -          | 37,508        |
| Equity Shares                    | 21                   | -            | -          | 21            |
| Treasury Bonds and bills         | 42                   | -            | -          | 42            |
| Non-convertible Debentures       | 21,720               | -            | -          | 21,720        |
| Derivative financial assets      | -                    | 4,638        | -          | 4,638         |
| <b>Total</b>                     | <b>59,291</b>        | <b>4,638</b> | <b>-</b>   | <b>63,929</b> |
| <b>Financial Liabilities:</b>    |                      |              |            |               |
| Derivative financial Liabilities | -                    | 630          | -          | 630           |
| Other financial liabilities      | -                    | -            | 465        | 465           |
| <b>Total</b>                     | <b>-</b>             | <b>630</b>   | <b>465</b> | <b>1,095</b>  |

₹ in Million

| Particulars                      | As at March 31, 2018 |              |            |               |
|----------------------------------|----------------------|--------------|------------|---------------|
|                                  | Level 1              | Level 2      | Level 3    | Total         |
| <b>Financial assets:</b>         |                      |              |            |               |
| Mutual fund investments          | 25,479               | -            | -          | 25,479        |
| Equity Shares                    | 122                  | -            | -          | 122           |
| Treasury Bonds and bills         | 26                   | -            | -          | 26            |
| Non-convertible Debentures       | 14,188               | -            | -          | 14,188        |
| Derivative financial assets      | -                    | 3,721        | -          | 3,721         |
| <b>Total</b>                     | <b>39,815</b>        | <b>3,721</b> | <b>-</b>   | <b>43,536</b> |
| <b>Financial Liabilities:</b>    |                      |              |            |               |
| Derivative financial Liabilities | -                    | 1,997        | -          | 1,997         |
| Other financial liabilities      | -                    | -            | 890        | 890           |
| <b>Total</b>                     | <b>-</b>             | <b>1,997</b> | <b>890</b> | <b>2,887</b>  |

## Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risk. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables, investments, loans, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units, quoted bonds issued by government and quasi government organizations and non-convertible debentures issued by institutions with high credit ratings.

#### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 171,692 and ₹ 142,124 Million as of March 31, 2019 and March 31, 2018 respectively, being the total of the carrying amount of trade receivables, investments, cash and cash equivalents, other balance with banks, loans and other financial assets.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks provided by the Company. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called on. (Refer Note 31.5 above).

#### Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each Balance Sheet date whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The Company's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding accounts receivable and unbilled revenue as of March 31, 2019 and March 31, 2018. The concentration of credit risk is limited due to the fact that the customer base is large.

The expected credit loss allowance is based on the ageing of receivables and the rates in the provision matrix. Movement in the expected credit loss allowance is as follows:

₹ in Million

| Particulars                                                                                     | As at          |                |
|-------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                 | March 31, 2019 | March 31, 2018 |
| Balance at the beginning of the year                                                            | 5,335          | 6,218          |
| Movement in the expected credit loss allowance on trade receivables and other financial assets: |                |                |
| Provided during the year                                                                        | 2,649          | 1,493          |
| Reversed/utilised during the year                                                               | (2,497)        | (2,376)        |
| <b>Balance at the end of the year</b>                                                           | <b>5,487</b>   | <b>5,335</b>   |

#### Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange currency risk.

##### a) Foreign Currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Euro, Great

Britain Pound, Australian Dollar and Canadian Dollar against the respective functional currency of the Company. The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange currency risk.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 1% against the respective functional currency of the Company.

Further the exposure as indicated below is mitigated by some of the derivative contracts entered into by the Company as disclosed in note below.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the year are as follows:

| ₹ in Million          |          |                |                |
|-----------------------|----------|----------------|----------------|
| Particulars           | Currency | March 31, 2019 | March 31, 2018 |
| Financial Assets      | USD      | 39,655         | 42,928         |
|                       | EUR      | 6,338          | 6,505          |
|                       | GBP      | 5,004          | 7,246          |
|                       | AUD      | 5,025          | 4,159          |
|                       | CAD      | 2,368          | 2,218          |
|                       | Others   | 33,502         | 12,412         |
| <b>Total</b>          |          | <b>91,892</b>  | <b>75,468</b>  |
| Financial Liabilities | USD      | 15,411         | 16,551         |
|                       | EUR      | 2,233          | 2,240          |
|                       | GBP      | 1,057          | 1,431          |
|                       | AUD      | 428            | 898            |
|                       | CAD      | 517            | 676            |
|                       | Others   | 19,406         | 3,850          |
| <b>Total</b>          |          | <b>39,052</b>  | <b>25,646</b>  |

A reasonably possible strengthening by 1% of USD, GBP, EUR, AUD and CAD against the Indian Rupee as at March 31, 2019 and March 31, 2018 will affect the statement of profit and loss by the amounts shown below:

| ₹ in Million |                |                |
|--------------|----------------|----------------|
| Currency     | March 31, 2019 | March 31, 2018 |
| USD          | 242            | 264            |
| EUR          | 41             | 43             |
| GBP          | 39             | 58             |
| AUD          | 46             | 33             |
| CAD          | 19             | 15             |

## b) Foreign Exchange Contracts and Options

Tech Mahindra Limited is exposed primarily to fluctuations in foreign currency exchange rates, credit risk and liquidity risk which may impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential effects on the financial performance of the Company.

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. These contracts are for a period between 1 day and 3 years.

The following are the principal amounts of outstanding foreign currency exchange forward and option contracts entered into by the Company which have been designated as Cash Flow Hedges:

| Type of cover | Amount outstanding in Foreign currency (in FC Million) | Fair Value Gain / (Loss)<br>(₹ in Million) |
|---------------|--------------------------------------------------------|--------------------------------------------|
| Forwards      | GBP to USD 230<br>(March 31, 2018: 192)                | 483<br>(March 31, 2018: 1,158)             |
|               | EUR to USD 266<br>(March 31, 2018: 168)                | 967<br>(March 31, 2018: 819)               |
|               | AUD to USD 35<br>(March 31, 2018: 34)                  | 48<br>(March 31, 2018: 14)                 |
|               | USD to CAD 35<br>(March 31, 2018: 41)                  | 24<br>(March 31, 2018: 15)                 |
|               | USD to INR 1,486<br>(March 31, 2018: USD: 1,100)       | 2,361<br>(March 31, 2018: 3,994)           |
|               |                                                        |                                            |
|               |                                                        |                                            |
| Options       | GBP to USD 3<br>(March 31, 2018: 36)                   | 4<br>(March 31, 2018: (202))               |
|               | EUR to USD 22<br>(March 31, 2018: 69)                  | 180<br>(March 31, 2018: (145))             |
|               | USD to INR 101<br>(March 31, 2018 USD: 96)             | (76)<br>(March 31, 2018: 7)                |
|               |                                                        |                                            |

The movement in hedging reserve for derivatives designated as Cash Flow Hedges is as follows:

₹ in Million

| Particulars                                                                                                      | As at          |                |
|------------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                                  | March 31, 2019 | March 31, 2018 |
| (a) Balance at the beginning of the year                                                                         | 847            | 7,287          |
| (b) Changes in the fair value of effective portion of derivatives – Gain/(Loss)                                  | 2,743          | (683)          |
| (c) Net (Gain)/Loss reclassified to statement of profit and loss on occurrence of hedged forecasted transactions | (230)          | (5,757)        |
| (d) (Gain)/loss on cash flow hedging derivatives, net (b+c)                                                      | 2,513          | (6,440)        |
| (e) Balance as at the end of the year (a+d)                                                                      | 3,360          | 847            |
| (f) Tax Impact on effective portion of outstanding derivatives                                                   | (947)          | (197)          |
| (g) Balance as at the end of the year, net of deferred tax (e+f)                                                 | 2,413          | 650            |

#### Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2019:

₹ in Million

| Particulars                                 | Less than 1 year | 1-3 years    | More than 3 years | Total         |
|---------------------------------------------|------------------|--------------|-------------------|---------------|
| <b>Non Derivative Financial Liabilities</b> |                  |              |                   |               |
| Finance lease obligation                    | 83               | 43           | -                 | 126           |
| Trade Payables                              | 28,880           | -            | -                 | 28,880        |
| Financial Guarantees                        | 72               | 144          | 318               | 534           |
| Other financial liabilities                 | 26,471           | 1,469        | -                 | 27,968        |
| <b>Total</b>                                | <b>55,506</b>    | <b>1,656</b> | <b>318</b>        | <b>57,480</b> |
| <b>Derivative Financial Liabilities</b>     | 529              | 101          | -                 | 630           |
| <b>Total</b>                                | <b>56,035</b>    | <b>1,757</b> | <b>318</b>        | <b>58,110</b> |

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2018:

₹ in Million

| Particulars                                 | Less than 1 year | 1-3 years    | More than 3 years | Total         |
|---------------------------------------------|------------------|--------------|-------------------|---------------|
| <b>Non Derivative Financial Liabilities</b> |                  |              |                   |               |
| Finance lease obligation                    | 1,098            | 1,359        | 91                | 2,548         |
| Trade Payables                              | 20,679           | -            | -                 | 20,679        |
| Financial Guarantees                        | 75               | 149          | 404               | 628           |
| Other financial liabilities                 | 7,972            | 3,407        | -                 | 11,379        |
| <b>Total</b>                                | <b>29,824</b>    | <b>4,915</b> | <b>495</b>        | <b>35,234</b> |
| <b>Derivative Financial Liabilities</b>     | 1,345            | 652          | -                 | 1,997         |
| <b>Total</b>                                | <b>31,169</b>    | <b>5,567</b> | <b>495</b>        | <b>37,231</b> |

## 47 Current Tax and Deferred Tax

The income tax expense for the year ended can be reconciled to the accounting profit as follows:

₹ in Million

| Particulars                                                          | For the year ended |                |
|----------------------------------------------------------------------|--------------------|----------------|
|                                                                      | March 31, 2019     | March 31, 2018 |
| Profit before tax                                                    | 54,273             | 49,002         |
| Enacted tax rate                                                     | 34.944%            | 34.608%        |
| Income tax expense calculated at enacted tax rate                    | 18,965             | 16,958         |
| Effect of income that is exempt from tax*                            | (7,603)            | (6,875)        |
| Impact of tax exemption which may not be fully utilized              | 1,851              | -              |
| Effect of expenses disallowed for tax purpose                        | 304                | 1,229          |
| Effect of tax on income at different rates                           | 218                | 287            |
| Effect of income taxes related to prior years                        | (3,018)            | (1,805)        |
| Others                                                               | (248)              | (731)          |
| <b>Income tax expense recognised in statement of profit and loss</b> | <b>10,469</b>      | <b>9,063</b>   |

\*Includes allowance under section 10AA of Income Tax Act, 1961 and dividend received from subsidiaries.

The tax rate used for the above reconciliation is the rate as applicable for the respective period payable by corporate entities in India on taxable profits under the Indian income tax laws.

Current tax for the year ended March 31, 2019 includes tax expense with respect to foreign branches amounting to ₹ 1,066 Million (year ended March 31, 2018: ₹ 1,310 Million).

**Deferred Tax:**

The following is the analysis of Deferred Tax Assets presented in the Balance Sheet:

₹ in Million

| Particulars                      | As At          |                |
|----------------------------------|----------------|----------------|
|                                  | March 31, 2019 | March 31, 2018 |
| Deferred tax assets              | 3,307          | 3,150          |
| Deferred tax liabilities         | (1,125)        | (397)          |
| <b>Deferred tax assets (net)</b> | <b>2,182</b>   | <b>2,753</b>   |

The tax effect of significant temporary differences that has resulted in deferred tax assets are given below:

₹ in Million

| Particulars                          | For the year ended March 31, 2019 |                               |                   |                 |
|--------------------------------------|-----------------------------------|-------------------------------|-------------------|-----------------|
|                                      | Opening balance                   | Recognised in Profit and loss | Recognised in OCI | Closing balance |
| Employee Benefits                    | 1,358                             | 85                            | (4)               | 1,439           |
| Property, Plant and Equipment        | 616                               | 102                           | -                 | 718             |
| Provisions                           | 818                               | 226                           | -                 | 1,044           |
| Changes in fair value of derivatives | (397)                             | 22                            | (750)             | (1,125)         |
| Other Items                          | 358                               | (252)                         | -                 | 106             |
| <b>Net Deferred Tax Assets</b>       | <b>2,753</b>                      | <b>183</b>                    | <b>(754)</b>      | <b>2,182</b>    |

₹ in Million

| Particulars                          | For year ended March 31, 2018 |                               |                   |                 |
|--------------------------------------|-------------------------------|-------------------------------|-------------------|-----------------|
|                                      | Opening balance               | Recognised in Profit and loss | Recognised in OCI | Closing balance |
| Employee Benefits                    | 832                           | 594                           | (68)              | 1,358           |
| Property, Plant and Equipment        | 1,257                         | (641)                         | -                 | 616             |
| Provisions                           | 921                           | (103)                         | -                 | 818             |
| Changes in fair value of derivatives | (3,298)                       | 576                           | 2,325             | (397)           |
| Other Items                          | 540                           | (182)                         | -                 | 358             |
| <b>Net Deferred Tax Assets</b>       | <b>252</b>                    | <b>244</b>                    | <b>2,257</b>      | <b>2,753</b>    |

Deferred tax expense for the year ended March 31, 2019 is net of MAT credit of ₹ 17 Million (year ended March 31, 2018: ₹ 270 Million).

**48 Related party relationships and transactions****i. List of Related Parties as of March 31, 2019**

| Name of Related Party                                  | Extent of holding/ Relationship                  |
|--------------------------------------------------------|--------------------------------------------------|
| Mahindra & Mahindra Limited                            | Promoter/Enterprise having significant Influence |
| Tech Mahindra GmbH and its following 100% subsidiaries | 100% Subsidiary Company                          |
| • TechM IT-Services GmbH                               | 100% Subsidiary Company                          |
| • Tech Mahindra Norway AS                              | 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 (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                          |

| Name of Related Party                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Extent of holding/ Relationship                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Comviva Technologies Limited and its following 100% subsidiaries:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 100% Subsidiary Company (Acquired 0.68% from Comviva ESOP Trust taking total holding to 100% w.e.f. March 22, 2018)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <ul style="list-style-type: none"> <li>Comviva Technologies Madagascar Sarlu</li> <li>Comviva Technologies Inc.</li> <li>YABX Technologies (Netherlands) B.V.</li> <li>Comviva Technologies Singapore Pte. Limited</li> <li>Comviva Technologies FZ-LLC</li> <li>Comviva Technologies B.V. and its following subsidiaries <ul style="list-style-type: none"> <li>Comviva Technologies Mexico, S de R.L. de C.V</li> <li>ATS Advanced Technology Solutions do Brasil Industria Comercio, Importacao e Exportacao Ltda</li> <li>Comviva Technologies Colombia S.A.S</li> <li>Comviva Technologies (Australia) Pty Ltd</li> <li>Emagine International Pty Ltd</li> </ul> </li> <li>Terra Payment Services South Africa (Pty) Limited</li> <li>Terra Payment Services (Netherlands) BV and its following 100% subsidiaries <ul style="list-style-type: none"> <li>Mobex Money Transfer Services Limited</li> <li>Terrapay Services (UK) Limited</li> <li>Terra Payment Services (Tanzania) Limited</li> <li>Terra Payment Services (Uganda) Limited</li> <li>Terra Payment Services S.A.R.L</li> <li>Terra Payment Services S.A.R.L</li> <li>Terra Payment Services (UK) Limited</li> <li>Terra Payment Services Botswana (Proprietary) Limited</li> <li>Terra Payment Services (Mauritius)</li> <li>Terra Payment Services S.A.R.L</li> <li>Terra Payment Services (India) Private Limited</li> </ul> </li> <li>Comviva Technologies Nigeria Limited and its following 75% subsidiary</li> <li>Hedonmark (Management Services) Limited</li> <li>Comviva Technologies (Argentina) S.A</li> </ul> | 100% Subsidiary Company (closed w.e.f March 27, 2019)<br>100% Subsidiary Company (Incorporated on June 4, 2018)<br>100% Subsidiary Company<br>100% Subsidiary Company<br>100% Subsidiary Company<br>100% Subsidiary Company (Incorporated on Feb. 9, 2018)<br>100% Subsidiary Company<br>100% Subsidiary Company<br>100% Subsidiary Company (Incorporated on Aug. 17, 2017)<br>100% Subsidiary Company<br>100% Subsidiary Company<br>100% Subsidiary Company<br>100% Subsidiary Company<br>100% Subsidiary Company<br>100% Subsidiary Company (Country of Incorporation is Senegal)<br>100% Subsidiary Company (Country of Incorporation is Congo B)<br>100% Subsidiary Company<br>100% Subsidiary Company<br>100% Subsidiary Company<br>100% subsidiary of Company (Country of Incorporation is Democratic Republic of Congo)<br>100% Subsidiary Company (Incorporated on Sep.1, 2017)<br>100% Subsidiary Company<br>74.99% Subsidiary Company<br>95% subsidiary of Comviva Technologies B.V. 5% held by Comviva Technologies Limited (Formerly known as ATS Advanced Technology Solutions S A.) |
| Tech Mahindra (Shanghai) Co. Ltd                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 100% Subsidiary Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Tech Mahindra Holdco Pty Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 96% Subsidiary Company (Incorporated on August.15, 2018.)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <ul style="list-style-type: none"> <li>Tech Mahindra South Africa (Pty) Limited</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 48.96% Subsidiary Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

| Name of Related Party                                                                  | Extent of holding/ Relationship                                                                       |
|----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|
| Tech Mahindra (Nanjing) Co. Ltd                                                        | 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 Venture Engineering Services Private Limited and its following 100 % subsidiary | 50% Subsidiary Company [Refer note 34]                                                                |
| • Satyam Venture Engineering Services (Shanghai) Co Limited                            | 50% Subsidiary Company                                                                                |
| • Satven GmbH                                                                          | 50% Subsidiary Company                                                                                |
| Tech Mahindra De Mexico S.DE.R.L.DE.C.V                                                | 100% Subsidiary Company                                                                               |
| vCustomer Philippines, Inc. and its 100% subsidiary                                    | 100% Subsidiary Company                                                                               |
| • vCustomer Philippines (Cebu), Inc.                                                   | 100% Subsidiary Company                                                                               |
| Tech Mahindra Servicios De Informatica Ltda                                            | 99.99% Subsidiary Company                                                                             |
| Tech Mahindra ICT Services (Malaysia) SDN. BHD                                         | 100% Subsidiary Company                                                                               |
| FixStream Networks Inc. and its 100% subsidiary                                        | 73.38% Subsidiary Company                                                                             |
| • FixStream India Private Limited                                                      | 73.38% Subsidiary Company                                                                             |
| Mahindra Technologies Services, Inc.                                                   | 100% Subsidiary Company                                                                               |
| Mahindra Engineering Services (Europe) Limited and its 100% subsidiary                 | 100% Subsidiary Company                                                                               |
| • K-Vision Co., Ltd                                                                    | 100% subsidiary of Company(Acquired effective 14-Mar-2019)                                            |
| • Inter-Informatics,spol. s r.o. and its following subsidiaries:                       | 100% subsidiary of Company (Acquired effective 5-Sep-2018)                                            |
| • Inter-Informatics SRL                                                                | 100% subsidiary of Inter-Informatics,spol. s r.o.                                                     |
| • TC Inter-Informatics a.s.                                                            | 100% subsidiary of Inter-Informatics,spol. s r.o.                                                     |
| • Inter-Informatics s.r.o                                                              | (Dissolved w.e.f February 13, 2019)                                                                   |
| Tech Mahindra (Americas) Inc. and its following subsidiaries:                          | 100% Subsidiary Company                                                                               |
| • Tech Talenta Inc.                                                                    | 100% Subsidiary Company                                                                               |
| • Tech Mahindra IPR Inc.,                                                              | 100% Subsidiary Company (Merged with Tech Mahindra (Americas) Inc. w.e.f. Sept 1, 2018)               |
| • Lightbridge Communications Corporation ('LCC') and its following subsidiaries:       | 100% subsidiary Company                                                                               |
| • Tech Mahindra Network Design Services, Inc.                                          | 100% subsidiary Company                                                                               |
| • Tech Mahindra Network Services International Inc.                                    | 100% subsidiary Company                                                                               |
| • Tech Mahindra Network Services Belgium                                               | 100% subsidiary Company (Formerly known as LCC Service Belgium NV)                                    |
| • LCC Middle East Holdings, Inc.                                                       | 100% subsidiary Company (Merged with Lightbridge Communications Corporation w.e.f. November 15, 2018) |
| • LCC Middle East FZ-LLC                                                               | 100% subsidiary Company                                                                               |
| • LCC Engineering & Deployment Services Misr, LTD                                      | 100% subsidiary Company                                                                               |
| • LCC France SARL                                                                      | 100% subsidiary Company                                                                               |
| • LCC Telecom GmbH                                                                     | 100% subsidiary Company                                                                               |
| • LCC Design And Deployment Services Ltd.                                              | 100% subsidiary Company                                                                               |
| • LCC Italia s.r.l.                                                                    | 100% subsidiary Company                                                                               |
| • LCC Saudi Telecom Services, Ltd.                                                     | 100% subsidiary Company                                                                               |
| • LCC Saudi Arabia Telecom Services Co. Ltd/Jordan WLL                                 | 100% subsidiary Company                                                                               |

| Name of Related Party                                                                                   | Extent of holding/ Relationship                                                                           |
|---------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>LCC Central America de Mexico, SA de CV</li> </ul>               | 99.98% subsidiary of LCC Wireless Services, Inc. 0.02% held by Tech Mahindra Network Design Services Inc. |
| <ul style="list-style-type: none"> <li>LCC Wireless Communications Services Marox, SARLAU</li> </ul>    | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>LCC Europe B.V</li> </ul>                                        | 100% subsidiary Company (Formerly known as LCC Europe Cooperatief U.A.)                                   |
| <ul style="list-style-type: none"> <li>LCC Installation &amp; Services Professionals BV</li> </ul>      | Merged with LCC Network Services, BV w.e.f. November 6, 2018                                              |
| <ul style="list-style-type: none"> <li>LCC Installation &amp; Services Projects BV</li> </ul>           | Merged with LCC Network Services, BV w.e.f. November 6, 2018                                              |
| <ul style="list-style-type: none"> <li>LCC Network Services, B.V.</li> </ul>                            | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>LCC North Central Europe, B.V.</li> </ul>                        | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>LCC Projects BV</li> </ul>                                       | Merged with LCC Network Services, BV w.e.f. November 6, 2018.                                             |
| <ul style="list-style-type: none"> <li>LCC Professionals, B.V.</li> </ul>                               | Merged with LCC Network Services, BV w.e.f. November 6, 2018                                              |
| <ul style="list-style-type: none"> <li>LCC Telecom Infra Professionals BV</li> </ul>                    | Merged with LCC Network Services, BV w.e.f. November 6, 2018                                              |
| <ul style="list-style-type: none"> <li>LCC Telecom Infra Projects BV</li> </ul>                         | Merged with LCC Network Services, BV w.e.f. November 6, 2018                                              |
| <ul style="list-style-type: none"> <li>LCC Muscat LLC</li> </ul>                                        | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>LCC India Private Ltd.</li> </ul>                                | 100% subsidiary Company (Struck off w.e.f. August 9 2018)                                                 |
| <ul style="list-style-type: none"> <li>LCC Networks Poland Sp.z.o.o</li> </ul>                          | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>Light Bridge Communications Corporation LLC</li> </ul>           | 95% subsidiary Company                                                                                    |
| <ul style="list-style-type: none"> <li>LCC Wireless Communications Espana, SA</li> </ul>                | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>LCC Telekomunikasyon Servis Limited</li> </ul>                   | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>LCC Deployment Services UK, Ltd.</li> </ul>                      | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>LCC United Kingdom, Ltd.</li> </ul>                              | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>Tech Mahindra S.A.</li> </ul>                                    | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>Tech-Mahindra Bolivia S.R.L.</li> </ul>                          | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>Leadcom Integrated Solutions Tchad SARL</li> </ul>               | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>Tech Mahindra Colombia S.A.S.</li> </ul>                         | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>Leadcom DRC SPRL</li> </ul>                                      | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>Tech Mahindra Ecuador S. A.</li> </ul>                           | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>Leadcom Integrated Solutions (SPV) SAS</li> </ul>                | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>Leadcom Gabon S.A.</li> </ul>                                    | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>STA Gabon</li> </ul>                                             | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>Leadcom Ghana Limited</li> </ul>                                 | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>Tech Mahindra Guatemala S.A.</li> </ul>                          | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>Leadcom Integrated Solutions (L.I.S.) Ltd</li> </ul>             | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>Societe de Telecommunications Africaine (STA) Abidjan</li> </ul> | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>Leadcom Integrated Solutions Kenya Limited</li> </ul>            | 100% subsidiary Company                                                                                   |
| <ul style="list-style-type: none"> <li>Leadcom Integrated Solutions Myanmar Co., Ltd</li> </ul>         | Merged with LCC Acquisition Holdings, B.V                                                                 |
| <ul style="list-style-type: none"> <li>Leadcom Integrated Solutions International B.V.</li> </ul>       | 100% subsidiary Company                                                                                   |

| Name of Related Party                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Extent of holding/ Relationship                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>Tech Mahindra Panama S.A.</li> <li>Tech Mahindra de Peru S.A.C.</li> <li>Leadcom Integrated Solutions Rwanda Ltd</li> <li>STA Dakar</li> <li>Leadcom Integrated Solutions Tanzania Ltd.</li> <li>Leadcom Uganda Limited</li> <li>Coniber S.A.</li> <li>Tech Mahindra Costa Rica Sociedad Anonima.</li> <li>LCC do Brasil Ltda.</li> <li>LCC Diseno y Servicios de RED Peru S.R.L</li> </ul>                                                                                      | 100% subsidiary Company<br>100% subsidiary Company<br>100% subsidiary Company<br>100% subsidiary Company<br>100% subsidiary Company<br>100% subsidiary Company<br>100% subsidiary Company<br>100% subsidiary Company<br>100% subsidiary Company<br>Dissolved w,e,f, November 16, 2018                                                                                                                                                                                                                                                                                                                 |
| Tech Mahindra Healthcare Systems Holdings LLC and its following subsidiaries <ul style="list-style-type: none"> <li>Tech Mahindra Healthcare LLC</li> <li>The CJS Solutions Group, LLC</li> <li>HCI Group UK Limited <ul style="list-style-type: none"> <li>Healthcare Clinical Informatics Limited</li> <li>High Resolution Consulting Limited</li> <li>High Resolution Resourcing Limited</li> <li>HCI Group DMCC</li> <li>CJS Solutions Group Canada ULC</li> <li>HCI Group Australia Pty Ltd</li> </ul> </li> </ul> | 88.81% subsidiary of Tech Mahindra (Americas) Inc. (Incorporated on April 6, 2017)<br>88.81% subsidiary Company (Incorporated on April 6, 2017)<br>88.81% subsidiary Company (Acquired w.e.f May 4, 2017)<br>88.81% subsidiary Company<br>88.81% subsidiary Company<br>88.81% subsidiary Company<br>88.81% subsidiary Company<br>88.81% subsidiary Company<br>88.81% subsidiary Company                                                                                                                                                                                                               |
| Sofgen Holdings Limited and its following subsidiaries <ul style="list-style-type: none"> <li>Sofgen Americas Inc</li> <li>Sofgen Services Limited</li> <li>Sofgen Limited</li> <li>Sofgen (UK) Limited (refer note 33)</li> <li>Sofgen Ireland Limited</li> <li>Sofgen India Private Limited (refer note 33)</li> <li>Sofgen SA</li> <li>Sofgen Consulting AG</li> <li>Sofgen Africa Limited</li> <li>Sofgen West Africa Limited</li> <li>Sofgen Sdn. Bhd.</li> <li>Sofgen Services Pte. Ltd.</li> </ul>               | 100% subsidiary company<br>(Merged with Tech Mahindra (Americas) Inc. w.e.f. June 11, 2018)<br>(Dissolved w.e.f. October 25, 2018)<br>(Dissolved w.e.f. May 16, 2018)<br>(Merged with Tech Mahindra India Ltd w.e.f April 1, 2018)<br>(Liquidated w.e.f. July 31, 2018)<br>(Merged with Tech Mahindra India Ltd w.e.f August 17, 2018)<br>100% subsidiary of Sofgen Holdings Limited<br>100% subsidiary of Sofgen SA<br>100% subsidiary of Sofgen Holdings Limited<br>(Liquidated w.e.f. August 17, 2018)<br>100% subsidiary of Sofgen Holdings Limited<br>100% subsidiary of Sofgen Holdings Limited |
| Tech Mahindra DRC SARLU                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 100% Subsidiary Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| NTH Dimension Ltd                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 100% Subsidiary Company (Effective November 13, 2018, Tech Mahindra Ltd has become 100% shareholder)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Tech Mahindra Arabia Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 51% subsidiary Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Tech Mahindra Netherlands B.V.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 100% Subsidiary Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Tech Mahindra Growth Factories Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 100% Subsidiary Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Tech Mahindra France SAS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | (Liquidated on May 22, 2018)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Tech Mahindra Sweden AB                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 100% Subsidiary Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Tech Mahindra LLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 100% Subsidiary Company (Incorporated on June 14, 2018)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Tech Mahindra Chile SpA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 100% subsidiary Company (Incorporated on December 17, 2018)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

| Name of Related Party                                                        | Extent of holding/ Relationship                                                                                      |
|------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Tech Mahindra Vietnam Company Limited                                        | 100% Subsidiary Company                                                                                              |
| Tech Mahindra Fintech Holdings Limited and Its following subsidiaries:       | 100% Subsidiary Company                                                                                              |
| Target Topco Limited and its following subsidiaries                          | 100% Subsidiary of Tech Mahindra Fintech Holdings Limited                                                            |
| • Target TG Investments Limited                                              | 100% Subsidiary of Target Topco Limited                                                                              |
| • Target Group Limited                                                       | 100% Subsidiary Target TG Investment Limited                                                                         |
| • Elderbridge Limited                                                        | 100% Subsidiary of Target Group Limited                                                                              |
| • Target Servicing limited                                                   | 100% Subsidiary of Target Group Limited                                                                              |
| • Target Financial System Limited                                            | 100% Subsidiary of Target Group Limited                                                                              |
| • Harlosh Limited                                                            | 100% Subsidiary of Target Group Limited                                                                              |
| • Harlosh NZ Limited                                                         | 100% Subsidiary of Harlosh Limited                                                                                   |
| The Bio Agency Limited                                                       | 100% subsidiary company                                                                                              |
| PF Holdings B.V. and its subsidiaries                                        | 60% subsidiary Company                                                                                               |
| Pininfarina S.p.A. and its following subsidiaries                            | 76.15% subsidiary of PF Holdings B.V.                                                                                |
| • Pininfarina Extra S.r.l.                                                   | 100% subsidiary of Pininfarina S.p.A.                                                                                |
| • Pininfarina of America Corp.                                               | 100% subsidiary of Pininfarina Extra S.r.l.                                                                          |
| • Pininfarina Deutschland Holding GmbH                                       | 100% subsidiary of Pininfarina S.p.A.                                                                                |
| • Pininfarina Shanghai Co., Ltd                                              | 100% subsidiary of Pininfarina S.p.A. (Formerly known as Pininfarina Automotive Engineering (Shanghai) Co., Limited) |
| • Pininfarina Engineering S.r.l.                                             | 100% subsidiary of Pininfarina S.p.A                                                                                 |
| • Pininfarina Deutschland GmbH                                               | 100% subsidiary of Pininfarina Deutschland Holding GmbH                                                              |
| Avion Networks, Inc.                                                         | Associate Company                                                                                                    |
| IQS Information Solutions WLL (till November 26,2018)                        | Associate Company                                                                                                    |
| AltioStar Networks, Inc.                                                     | Associate Company                                                                                                    |
| SARL Djazatech                                                               | Associate Company                                                                                                    |
| EURL LCC UK Algeria                                                          | Associate Company                                                                                                    |
| Signature S.r.l.                                                             | Associate Company                                                                                                    |
| Goodmind S.r.l.                                                              | Associate Company                                                                                                    |
| Tech Mahindra Foundation                                                     | Section 8 Company                                                                                                    |
| Mahindra Satyam Foundation                                                   | Trust                                                                                                                |
| Mahindra Educational Institutions                                            | Section 8 Company                                                                                                    |
| TML Benefit Trust                                                            | Trust to hold the treasury stock                                                                                     |
| TML Odd Lot Trust                                                            | Trust to hold the fractional shares                                                                                  |
| Tech Mahindra Limited Employees Gratuity Scheme                              | Post-employment benefit Plan (Formerly known as Axes Technologies employees gratuity Trust)                          |
| Tech Mahindra Limited Superannuation Scheme                                  | Post-employment benefit Plan                                                                                         |
| Tech Mahindra Limited Employees Gratuity Scheme                              | Post-employment benefit Plan                                                                                         |
| Bharti Telesoft International Private Limited Executive Provident Fund Trust | Post-employment benefit Plan of subsidiary                                                                           |
| Bharti Telesoft Ltd. Employess Group Gratuity Trust                          | Post-employment benefit Plan of subsidiary                                                                           |
| Comviva ESOP Trust                                                           | Trust to administer ESOP scheme of subsidiary                                                                        |
| Satyam Associates Trust                                                      | Trust to administer ESOP scheme of subsidiary                                                                        |
| Mahindra Engineering Services ESOP Trust                                     | Trust to administer ESOP scheme of subsidiary                                                                        |
| Stitching TPS ESOP                                                           | Post-employment benefit Plan of subsidiary                                                                           |
| Sofgen India Pvt Ltd Employees Gratuity Fund                                 | Post-employment benefit Plan of subsidiary                                                                           |
| Stichting YABX ESOP                                                          | YABX Technologies (Netherlands) B.V. (Incorporated on August 7, 2018.)                                               |
| Anand G. Mahindra – Non-Executive Director                                   | Key Management Personnel                                                                                             |
| Vineet Nayyar- Non-Executive Director *                                      | Key Management Personnel                                                                                             |
| C.P. Gurnani - Managing Director and Chief Executive Officer                 | Key Management Personnel                                                                                             |

| Name of Related Party                        | Extent of holding/ Relationship |
|----------------------------------------------|---------------------------------|
| Milind Kulkarni – Chief Financial Officer \$ | Key Management Personnel        |
| Manoj Bhat - Chief Financial Officer #       | Key Management Personnel        |
| Anil Khatri – Company Secretary              | Key Management Personnel        |
| Ulhas N. Yargop - Non-Executive Director     | Key Management Personnel        |
| V.S. Parthasarathy - Non-Executive Director  | Key Management Personnel        |
| Anupam Puri - Independent Director           | Key Management Personnel        |
| M. Rajyalakshmi Rao - Independent Director   | Key Management Personnel        |
| Ravindra Kulkarni - Independent Director     | Key Management Personnel        |
| T. N. Manoharan - Independent Director       | Key Management Personnel        |
| M. Damodaran - Independent Director          | Key Management Personnel        |

\$upto May 31, 2018

#w.e.f. June 1, 2018

\*upto July 31, 2018

ii. **Total Related Party Transactions and significant related party transactions (by entity) for the year ended March 31, 2019 and March 31, 2018**

| Nature of Transaction                                | Particulars                            | ₹ In Million   |                |
|------------------------------------------------------|----------------------------------------|----------------|----------------|
|                                                      |                                        | March 31, 2019 | March 31, 2018 |
| Revenue from operations                              |                                        | 22,768         | 18,789         |
|                                                      | Tech Mahindra (Americas) Inc.          | 11,512         | 8,511          |
|                                                      | Tech Mahindra GmbH                     | 5,943          | 5,567          |
| Sub-contracting Expenses                             |                                        | 84,317         | 73,304         |
|                                                      | Tech Mahindra (Americas) Inc.          | 67,091         | 57,914         |
| Reimbursement of Expenses (Net)-incurred/(Recovered) |                                        | (849)          | (3,760)        |
|                                                      | Tech Mahindra (Americas) Inc.          | (376)          | (2,326)        |
|                                                      | Tech Mahindra (Thailand) Limited       | (71)           | (1,056)        |
|                                                      | Sofgen Holdings Limited                | (293)          | (2)            |
| Balances Written Off                                 |                                        | 3              | 193            |
|                                                      | Satyam Europe Limited                  | -              | 193            |
|                                                      | Mahindra & Mahindra Limited            | 3              | -              |
| Software/Hardware and project specific expenses      |                                        | 194            | 101            |
|                                                      | FixStream Networks Inc                 | 125            | 94             |
| Rent expenses                                        |                                        | 9              | 2              |
|                                                      | Mahindra & Mahindra Limited            | 1              | 1              |
|                                                      | LCC Wireless Communications Espana, SA | 1              | 1              |
|                                                      | Comviva Technologies Limited           | 7              | -              |
|                                                      |                                        |                |                |
| Rental Income                                        |                                        | 200            | 164            |
|                                                      | Mahindra Educational Institution       | 130            | 126            |
|                                                      | Tech Mahindra Technologies, Inc.       | 47             | 12             |
| Information Technology Support Services              |                                        | -              | 18             |
|                                                      | Mahindra & Mahindra Limited            | -              | 18             |

| Nature of Transaction                                                                             | Particulars                                     | ₹ In Million   |                |
|---------------------------------------------------------------------------------------------------|-------------------------------------------------|----------------|----------------|
|                                                                                                   |                                                 | March 31, 2019 | March 31, 2018 |
| Interest Income on loans                                                                          |                                                 | 15             | 53             |
|                                                                                                   | Tech Mahindra Servicios De Informatica LTDA     | 2              | 13             |
|                                                                                                   | FixStream Networks Inc                          | 3              | 12             |
|                                                                                                   | Tech Mahindra Fintech Holdings Limited          | 3              | 13             |
|                                                                                                   | Mahindra Engineering Services (Europe) Limited  | 3              | 8              |
|                                                                                                   |                                                 |                |                |
| Corporate Social Responsibility Expenditure                                                       |                                                 | 859            | 716            |
|                                                                                                   | Tech Mahindra Foundation                        | 649            | 506            |
|                                                                                                   | Mahindra Educational Institutions               | 210            | 210            |
|                                                                                                   |                                                 |                |                |
| Remuneration to KMPs (Including Salary, stock compensation benefits & post-employment benefits) @ |                                                 | 474            | 293            |
|                                                                                                   | C. P. Gurnani                                   | 449            | 277            |
|                                                                                                   | Milind Kulkarni \$                              | 3              | 12             |
|                                                                                                   | Anil Khatri                                     | 5              | 4              |
|                                                                                                   | Manoj Bhat #                                    | 17             | -              |
| Commission/Sitting fees/ stock compensation benefits                                              | Non-Executive/Independent Directors             | 66             | 94             |
|                                                                                                   |                                                 |                |                |
| Dividend Paid                                                                                     |                                                 | 5,037          | 3,235          |
|                                                                                                   | Mahindra & Mahindra Limited                     | 3,587          | 2,306          |
|                                                                                                   | TML Benefit Trust                               | 1,344          | 864            |
| Other Income                                                                                      |                                                 | 1,419          | 961            |
|                                                                                                   | TML Benefit Trust                               | 1,344          | 864            |
| Dividend Income                                                                                   |                                                 | 1,103          | 4,288          |
|                                                                                                   | Tech Mahindra (Americas) Inc.                   | -              | 2,744          |
|                                                                                                   | Tech Mahindra Business Services Limited         | 600            | 600            |
|                                                                                                   | Tech Mahindra ICT Services (Malaysia) SDN. BHD. | 503            | -              |
|                                                                                                   |                                                 |                |                |
| Purchase of property, plant & equipment                                                           |                                                 | 17             | 1              |
|                                                                                                   | LCC Network Services, B.V.                      | -              | 1              |
|                                                                                                   | Mahindra & Mahindra Limited                     | 17             | -              |
| Loans given                                                                                       |                                                 | -              | 323            |
|                                                                                                   | Tech Mahindra Servicios De Informatica LTDA     | -              | 226            |
|                                                                                                   | Tech Mahindra Arabia Limited                    | -              | 97             |
| Loans received back                                                                               |                                                 | 1,980          | 32             |
|                                                                                                   | Tech Mahindra (Nigeria) Limited                 | -              | 32             |
|                                                                                                   | FixStream Networks Inc                          | 305            | -              |
|                                                                                                   | Tech Mahindra Fintech Holdings Limited          | 537            | -              |
|                                                                                                   | Mahindra Engineering Services (Europe) Limited  | 344            | -              |
|                                                                                                   | Tech Mahindra Servicios De Informatica Ltda     | 570            | -              |
|                                                                                                   |                                                 |                |                |

| Nature of Transaction | Particulars                                    | ₹ In Million   |                |
|-----------------------|------------------------------------------------|----------------|----------------|
|                       |                                                | March 31, 2019 | March 31, 2018 |
| Investments           |                                                | 1,594          | 492            |
|                       | Tech Mahindra Servicios De Informatica Ltda    | 1,016          | -              |
|                       | Nth Dimension Limited                          | 226            | -              |
|                       | Mahindra Engineering Services (Europe) Limited | 344            | -              |
|                       |                                                |                |                |

Note: Disclosure of entity wise transactions are given for material transactions within each category.

@ Employment benefits comprising gratuity and compensated absences are not disclosed as these are determined for the Company as a whole

\$ upto May 31, 2018

#w.e.f. from June 1, 2018

\* upto July 31, 2018

**Closing Related Party Balances are as follows:**

| Balances as at                                   | Particulars                                    | ₹ In Million            |                |
|--------------------------------------------------|------------------------------------------------|-------------------------|----------------|
|                                                  |                                                | As at<br>March 31, 2019 | March 31, 2018 |
| Loans                                            |                                                | 68                      | 2,009          |
|                                                  | Tech Mahindra Servicios De Informatica LTDA    | -                       | 554            |
|                                                  | FixStream Networks Inc.                        | -                       | 293            |
|                                                  | Mahindra Engineering Services (Europe) Limited | -                       | 326            |
|                                                  | Tech Mahindra Fintech Holdings Limited         | -                       | 549            |
|                                                  | Tech Mahindra (Nigeria) Limited                | 68                      | 65             |
| Interest Receivable                              |                                                | 12                      | 96             |
|                                                  | Tech Mahindra Servicios De Informatica LTDA    | 12                      | 25             |
|                                                  | FixStream Networks Inc.                        | -                       | 25             |
|                                                  |                                                |                         |                |
| Advances Receivable                              |                                                | 742                     | 1,294          |
|                                                  | Tech Mahindra (Nigeria) Limited                | 400                     | 368            |
|                                                  | Tech Mahindra DRC SARLU                        | 311                     | 297            |
|                                                  | Tech Mahindra (Americas) Inc.                  | -                       | 216            |
|                                                  | Lightbridge Communications Corporation         | -                       | 77             |
|                                                  |                                                |                         |                |
| Trade Receivables                                |                                                | 11,720                  | 9,415          |
|                                                  | Mahindra & Mahindra Limited                    | 511                     | 366            |
|                                                  | Tech Mahindra (Americas) Inc.                  | 5,542                   | 4,449          |
|                                                  | Tech Mahindra (Nigeria) Limited                | 742                     | 817            |
|                                                  | Tech Mahindra (Shanghai) Co. Limited           | 251                     | 443            |
|                                                  | Tech Mahindra Servicios De Informatica LTDA    | 414                     | 394            |
|                                                  | Tech Mahindra Norway AS                        | 172                     | 378            |
|                                                  | Tech Mahindra De Mexico S.DE.R.L.DE.C.V.       | 557                     | 451            |
| Unbilled Revenue                                 |                                                | 1,466                   | 1,555          |
|                                                  | Mahindra & Mahindra Limited                    | 38                      | 254            |
|                                                  | Tech Mahindra GmbH                             | 517                     | 515            |
|                                                  | Tech Mahindra (Americas) Inc.                  | 657                     | 556            |
| Contractually Reimbursable expenses (Receivable) |                                                | 33                      | 39             |
|                                                  | Mahindra & Mahindra Limited                    | 33                      | 39             |

| Balances as at                      | Particulars                                | As at          |                |
|-------------------------------------|--------------------------------------------|----------------|----------------|
|                                     |                                            | March 31, 2019 | March 31, 2018 |
| Prepaid Expenses                    |                                            | 140            | 75             |
|                                     | Tech Mahindra Business Services Limited    | 1              | 4              |
|                                     | FixStream Networks Inc.                    | 96             | 58             |
|                                     | Comviva Technologies Limited               | 42             | 12             |
|                                     |                                            |                |                |
| Rent Receivable                     |                                            | 86             | 106            |
|                                     | Mahindra Educational Institutions          | 86             | 106            |
|                                     |                                            |                |                |
| Financial Guarantee Contracts       |                                            | 534            | 629            |
|                                     | PF Holdings B.V.                           | 534            | 629            |
|                                     |                                            |                |                |
| Trade Payables                      |                                            | 16,307         | 10,539         |
|                                     | Tech Mahindra (Americas) Inc.              | 12,886         | 7,379          |
|                                     | Tech Mahindra GmbH                         | 789            | 782            |
|                                     | Tech Mahindra Servicos De Informatica LTDA | 40             | 254            |
|                                     | The Bio Agency Limited                     | 458            | 435            |
|                                     |                                            |                |                |
| Payable to Key Management personnel |                                            | 69             | 100            |
|                                     | C P Gurnani                                | 13             | 11             |
|                                     | Manoj Bhat #                               | 3              | -              |
|                                     | Milind Kulkarni \$                         | -              | 4              |
|                                     | Anil Khatri                                | 0              | 1              |
|                                     | Ulhas N. Yargop                            | 8              | 7              |
|                                     | Vineet Nayyar*                             | -              | 36             |
|                                     | V.S. Parthasarathy                         | 7              | 6              |
|                                     | Anupam Puri                                | 9              | 8              |
|                                     | M. Rajyalakshmi Rao                        | 6              | 6              |
|                                     | Ravindra Kulkarni                          | 8              | 7              |
|                                     | T. N. Manoharan                            | 8              | 7              |
|                                     | M. Damodaran                               | 7              | 7              |

**Note:** Disclosure of entity wise balances are given for material transactions within each category.

There are bank guarantee/corporate guarantee contracts, letters of support/letters of comfort issued on behalf of related parties amounting to ₹ 20,347 Million (March 31, 2018: ₹ 20,608 Million).

**49 Disclosures required by Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 (4) of the Companies Act, 2013**

**a. Amount of investments outstanding as at March 31, 2019 include:**

| Name of the company                             | Outstanding as at March 31, 2019 / March 31, 2018 | Maximum amount outstanding during the year |
|-------------------------------------------------|---------------------------------------------------|--------------------------------------------|
| Mahindra Rural Housing Finance LTD              | 1,000                                             | 1,000                                      |
|                                                 | -                                                 | -                                          |
| Mahindra Happinest Developers Limited           | -                                                 | 250                                        |
|                                                 | 250                                               | -                                          |
| Mahindra World City Jaipur Limited              | -                                                 | 500                                        |
|                                                 | -                                                 | -                                          |
| Mahindra Life Space Developers Limited          | -                                                 | 250                                        |
|                                                 | 250                                               | -                                          |
| Mahindra & Mahindra Financials Services Limited | 4,000                                             | 4,000                                      |
|                                                 | 1,000                                             | 1,000                                      |
| HDFC Limited                                    | 2,000                                             | 4,000                                      |
|                                                 | 4,000                                             | 4,000                                      |
| Bajaj Finance Limited                           | 4,000                                             | 4,000                                      |
|                                                 | -                                                 | -                                          |

**b. For other investments and loans refer note 6 and 10 and 48.**

**50 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 the 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 and its subsidiaries. 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 each 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. 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 a 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 to 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 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, 18,084 options were outstanding under ESOS, which were converted into equivalent 30,144 options of the Company giving effect to approved share exchange ratio, split and bonus.

**vii. Details of options granted during the year ended March 31, 2019:**

| ESOP Scheme | Method of Settlement | Number of options granted during the year ended March 31, 2019 | Grant date       | Weighted average fair value |
|-------------|----------------------|----------------------------------------------------------------|------------------|-----------------------------|
| ESOP 2014   | Equity settled Plans | 968,000                                                        | May 25, 2018     | 671.01                      |
| ESOP 2014   | Equity settled Plans | 15,000                                                         | May 25, 2018     | 287.24                      |
| ESOP 2014   | Equity settled Plans | 210,000                                                        | July 30, 2018    | 608.20                      |
| ESOP 2014   | Equity settled Plans | 479,000                                                        | October 30, 2018 | 600.06                      |
| ESOP 2014   | Equity settled Plans | 10,000                                                         | October 30, 2018 | 245.32                      |
| ESOP 2014   | Equity settled Plans | 753,000                                                        | February 4, 2019 | 692.89                      |
| ESOP 2014   | Equity settled Plans | 8,000                                                          | February 4, 2019 | 286.19                      |

**viii. Details of activity of the ESOP schemes**

Movement for the year ended March 31, 2019 and year ended March 31, 2018:

| 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 | Exercisable at the end of the year |
|-------------|-------------------|----------------|------------------------------------------|-------------------------|---------------------------|------------------------|---------------------------|------------------------------------|------------------------------------|
| ESOP 2000   | Number of options | March 31, 2019 | -                                        | -                       | -                         | -                      | -                         | -                                  | -                                  |
| ESOP 2000   | WAEP*             | March 31, 2019 | -                                        | -                       | -                         | -                      | -                         | -                                  | -                                  |
| ESOP 2000   | Number of options | March 31, 2018 | 470,000                                  | -                       | -                         | -                      | 470,000                   | -                                  | -                                  |
| ESOP 2000   | WAEP*             | March 31, 2018 | 12.24                                    | -                       | -                         | -                      | 12.24                     | -                                  | -                                  |
| ESOP 2006   | Number of options | March 31, 2019 | 623,900                                  | -                       | 8,400                     | 104,000                | 360,850                   | 150,650                            | 150,650                            |
| ESOP 2006   | WAEP*             | March 31, 2019 | 194.81                                   | -                       | 230.50                    | 175.25                 | 190.22                    | 217.30                             | 217.30                             |
| ESOP 2006   | Number of options | March 31, 2018 | 1,205,275                                | -                       | 49,500                    | 78,000                 | 453,875                   | 623,900                            | 504,700                            |
| ESOP 2006   | WAEP*             | March 31, 2018 | 187.83                                   | -                       | 185.92                    | 158.50                 | 183.49                    | 194.81                             | 185.74                             |
| ESOP 2010   | Number of options | March 31, 2019 | 6,668                                    | -                       | -                         | -                      | -                         | 6,668                              | 6,668                              |
| ESOP 2010   | WAEP*             | March 31, 2019 | 1.01                                     | -                       | -                         | -                      | -                         | 5.00                               | 5.00                               |
| ESOP 2010   | Number of options | March 31, 2018 | 23,336                                   | -                       | -                         | -                      | 16,668                    | 6,668                              | 6,668                              |
| ESOP 2010   | WAEP*             | March 31, 2018 | 5.00                                     | -                       | -                         | -                      | 5.00                      | 5.00                               | 5.00                               |

| 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 | Exercisable at the end of the year |
|-----------------|-------------------|----------------|------------------------------------------|-------------------------|---------------------------|------------------------|---------------------------|------------------------------------|------------------------------------|
| TML ESOP B-2013 | Number of options | March 31, 2019 | 3,422,464                                | -                       | 17,570                    | 48,517                 | 2,128,314                 | 1,228,063                          | 1,228,063                          |
| TML ESOP B-2013 | WAEP*             | March 31, 2019 | 79.68                                    | -                       | 372.28                    | 220.92                 | 42.62                     | 134.15                             | 134.15                             |
| TML ESOP B-2013 | Number of options | March 31, 2018 | 7,360,115                                | -                       | 63,568                    | 80,444                 | 3,793,639                 | 3,422,464                          | 3,392,464                          |
| TML ESOP B-2013 | WAEP*             | March 31, 2018 | 58.51                                    | -                       | 423.91                    | 221                    | 29.85                     | 79.68                              | 76.09                              |
| TML RSU         | Number of options | March 31, 2019 | 442,100                                  | -                       | 472                       | 2,500                  | 158,504                   | 280,624                            | 280,624                            |
| TML RSU         | WAEP*             | March 31, 2019 | 5.00                                     | -                       | 5.00                      | 5.00                   | 5.00                      | 5.00                               | 5.00                               |
| TML RSU         | Number of options | March 31, 2018 | 910,686                                  | -                       | 10,000                    | 78                     | 458,508                   | 442,100                            | 411,100                            |
| TML RSU         | WAEP*             | March 31, 2018 | 5.00                                     | -                       | 5.00                      | 5.00                   | 5.00                      | 5.00                               | 5.00                               |
| ESOP A          | Number of options | March 31, 2019 | 380,808                                  | -                       | -                         | 13,056                 | 320,340                   | 47,412                             | 47,412                             |
| ESOP A          | WAEP*             | March 31, 2019 | 13.72                                    | -                       | -                         | 30.00                  | 10.65                     | 30.00                              | 30.00                              |
| ESOP A          | Number of options | March 31, 2018 | 304,698                                  | 248,000                 | 14,112                    | 17,990                 | 139,788                   | 380,808                            | 132,808                            |
| ESOP A          | WAEP*             | March 31, 2018 | 30.00                                    | 5.00                    | 30.00                     | 30.00                  | 30.00                     | 13.72                              | 30.00                              |
| ESOP 2014       | Number of options | March 31, 2019 | 13,522,078                               | 2,443,000               | 785,560                   | -                      | 980,994                   | 14,198,524                         | 6,039,678                          |
| ESOP 2014       | WAEP*             | March 31, 2019 | 292.77                                   | 13.04                   | 381.02                    | -                      | 204.52                    | 245.85                             | 450.66                             |
| ESOP 2014       | Number of options | March 31, 2018 | 10,655,452                               | 4,890,500               | 1,578,836                 | -                      | 445,038                   | 13,522,078                         | 3,880,902                          |
| ESOP 2014       | WAEP*             | March 31, 2018 | 394.33                                   | 77.62                   | 367.33                    | -                      | 95.83                     | 292.77                             | 504.95                             |
| ESOS            | Number of options | March 31, 2019 | 5,252                                    | -                       | -                         | -                      | -                         | 5,252                              | 5,252                              |
| ESOS            | WAEP*             | March 31, 2019 | 6.00                                     | -                       | -                         | -                      | -                         | 6.00                               | 6.00                               |
| ESOS            | Number of options | March 31, 2018 | 20,196                                   | -                       | -                         | 13,132                 | 1,812                     | 5,252                              | 5,252                              |
| ESOS            | WAEP*             | March 31, 2018 | 15.07                                    | -                       | -                         | 11                     | 69.60                     | 6.00                               | 6.00                               |
| Total           | Number of options | March 31, 2019 | 18,403,270                               | 2,443,000               | 812,002                   | 168,073                | 3,949,002                 | 15,917,193                         | 7,758,347                          |
| Total           | Number of options | March 31, 2018 | 20,949,758                               | 5,138,500               | 1,716,016                 | 189,644                | 5,779,328                 | 18,403,270                         | 8,333,894                          |

\* Weighted average exercise price

ix. **Average Share price on date of exercise**

The weighted average share price for the year over which stock options were exercised was ₹ 707.21 (year ended March 31, 2018: ₹ 428.75).

**x. Information in respect of options outstanding:**

| ESOP Scheme     | Range of Exercise price | As at March 31, 2019          |                                             | As at March 31, 2018          |                                             |
|-----------------|-------------------------|-------------------------------|---------------------------------------------|-------------------------------|---------------------------------------------|
|                 |                         | Number of Options Outstanding | Weighted average remaining life (in Years)* | Number of Options Outstanding | Weighted average remaining life (in Years)* |
| ESOP 2006       | 151-300                 | 146,650                       | 0.83                                        | 603,900                       | 0.78                                        |
| ESOP 2006       | 301-450                 | 4,000                         | 1.37                                        | 20,000                        | 2.37                                        |
| ESOP 2010       | 5-150                   | 6,668                         | 0                                           | 6,668                         | 0                                           |
| TML ESOP B-2013 | 5-150                   | 713,828                       | 2.63                                        | 2,547,008                     | 3.05                                        |
| TML ESOP B-2013 | 151-300                 | 338,171                       | 1.22                                        | 620,900                       | 1.79                                        |
| TML ESOP B-2013 | 301-450                 | 136,064                       | 2.55                                        | 206,556                       | 3.34                                        |
| TML ESOP B-2013 | 451-600                 | 40,000                        | 2.84                                        | 48,000                        | 3.84                                        |
| TML RSU         | 5-150                   | 280,624                       | 2.31                                        | 442,100                       | 3.31                                        |
| ESOP A          | 5-150                   | 47,412                        | 0                                           | 380,808                       | 0.61                                        |
| ESOP-2014       | 5-150                   | 7,364,162                     | 6.32                                        | 5,726,687                     | 6.66                                        |
| ESOP-2014       | 301-450                 | 3,578,200                     | 5.15                                        | 4,131,590                     | 6.03                                        |
| ESOP-2014       | 451-600                 | 46,000                        | 4.75                                        | 41,600                        | 4.33                                        |
| ESOP-2014       | 601-750                 | 3,210,162                     | 3.17                                        | 3,622,201                     | 4.12                                        |
| ESOS            | 5-150                   | 5,252                         | 0                                           | 5,252                         | 0                                           |

\*Weighted average remaining life for options exercised pending allotment as at year end has been disclosed as '0'.

**xi.** 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 has been computed by reference to the fair value of share options granted and amortized over each vesting period. For the period ended March 31, 2019, the Company has accounted for employee stock compensation cost (equity settled) amounting to ₹ 1,091 Million (March 31, 2018: ₹ 713 Million). This amount is net of cost of options granted to employees of subsidiaries.

**xii.** The fair value of each option is estimated on the date of grant using Black-Scholes-Merton model with the following assumptions:

| Assumptions                  | For the year ended March 31, 2019 | For the year ended March 31, 2018 |        |
|------------------------------|-----------------------------------|-----------------------------------|--------|
| Particulars                  | ESOP 2014                         | ESOP 2014                         | ESOP A |
| Weighted average share price | 653                               | 381-599                           | 430    |
| Exercise Price               | 5-635                             | 5-362                             | 5      |
| Expected Volatility (%)      | 27-30                             | 27-29                             | 29     |
| Expected Life (in years)     | 2-6                               | 2-6                               | 3      |
| Expected Dividend (%)        | 1-2                               | 1.2                               | 1.2    |
| Risk Free Interest Rate (%)  | 7-8                               | 6-7                               | 6.2    |

**51 Earnings Per Share:**

₹ in Million except earnings per share

| Particulars                                                                            | For the year ended |                |
|----------------------------------------------------------------------------------------|--------------------|----------------|
|                                                                                        | March 31, 2019     | March 31, 2018 |
| Profit after taxation                                                                  | 43,804             | 39,939         |
| Equity Shares outstanding as at the end of the year (in nos.) #                        | 985,307,673        | 979,318,628    |
| Weighted average Equity Shares outstanding as at the end of the year (in nos.) #       | 982,568,498        | 979,261,979    |
| Add: Dilutive impact of employee stock options                                         | 8,473,480          | 7,365,157      |
| Add: Dilutive impact for Buy Back (refer note 17(vi))                                  | 6,062,160          | -              |
| Number of Equity Shares used as denominator for calculating Diluted Earnings Per Share | 997,104,138        | 986,627,136    |
| Nominal Value per Equity Share (in ₹)                                                  | 5.00               | 5.00           |
| Earnings Per Share (Basic) (in ₹)                                                      | 44.58              | 40.79          |
| Earnings Per Share (Diluted) (in ₹)                                                    | 43.93              | 40.48          |

# Includes adjustment for vested options exercisable for little or no consideration and treasury shares held by ESOP trusts.

**52. Previous period figures have been regrouped wherever necessary, to correspond with the current period's classification / disclosure.****For B S R & Co. LLP**

Chartered Accountants

Firm Registration No.101248W/W-100022

**Jamil Khatri**

Partner

Membership No.102527

Mumbai, India, May 21, 2019

**Anand G. Mahindra**

Chairman

**Anupam Puri**

Director

**V S Parthasarathy**

Director

**Ulhas N. Yargop**

Director

**Manoj Bhat**

Chief Financial Officer

Mumbai, India, May 21, 2019

**For Tech Mahindra Limited****C. P. Gurnani**

Managing Director &amp; CEO

**M. Damodaran**

Director

**Ravindra Kulkarni**

Director

**Mukti Khaire**

Director

**M. Rajyalakshmi Rao**

Director

**T. N. Manoharan**

Director

**Anil Khatri**

Company Secretary

# **Consolidated Financial Statements**

Tech  
Mahindra

## INDEPENDENT AUDITORS' REPORT

To the Members of Tech Mahindra Limited

Report on the Audit of Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of Tech Mahindra Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associates, which comprise the consolidated balance sheet as at 31 March 2019, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries, and associates as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of matter

1. We draw attention to Note 41 (B) of the consolidated financial statements in respect of certain matters relating to erstwhile Satyam Computer Services Limited ("erstwhile Satyam"), amalgamated with the Holding Company with effect from 1 April 2011. The Holding Company's management, on the basis of current legal status and external legal opinion, has concluded that claims made by 37 companies in the City Civil Court, for alleged advances amounting to ₹ 12,304 million, to erstwhile Satyam and presented separately under 'Suspense account (net)' will not sustain on ultimate resolution by the Court as explained in the aforesaid note.
2. We further draw attention to Note 45 of the consolidated financial statements which more fully explains that in case of one of the subsidiaries of the Group, the other auditors in their auditors' report have drawn attention to a 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, of the said subsidiary, for the years ended from 31 March 2012 to 31 March 2018 have not yet been adopted by the members of that subsidiary in the annual general meetings in the absence of unanimous consent of both the shareholders. The financial statements as at and for the year ended 31 March 2019 have been drawn up by incorporating the opening balances based on the above mentioned financial statements. Adjustments to the opening balances, if any, will be made once the abovementioned financial statements are adopted.

Our opinion is not modified in respect of these matters.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| The key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | How the matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Revenue recognition – Fixed price development contracts</b></p> <p>The Group engages in fixed price development contracts, wherein revenue is recognized using the percentage of completion method based on management's estimate of contract efforts. These contracts may also involve recognizing onerous obligations that require critical estimates to be made by the management.</p> <p>Further, the new revenue standard – Ind AS 115 "Revenue from contracts with customers" which became applicable from 1 April 2018, establishes a comprehensive framework for recognition of revenue and involves making judgements and estimates, which affect the accounting for such contracts.</p> <p>(Refer notes 2.5 (i), 2.11 and 51 to the consolidated financial statements).</p>                                                                                                                                                      | <p><b>Our audit procedures included:</b></p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the systems, processes and controls implemented by the Group for calculating and recording revenue and the associated contract assets and liabilities.</li> <li>• Evaluated the design and operating effectiveness of internal controls relating to recording of the contract value, efforts incurred and process around estimation of efforts required to complete the performance obligations.</li> <li>• On selected sample of contracts, tested revenue recognition, and our procedures included: <ul style="list-style-type: none"> <li>- evaluating the identification of performance obligations;</li> <li>- considering the terms of the contracts to determine the transaction price; and</li> <li>- testing Group calculation of efforts incurred, and estimation of contract efforts including estimation of onerous obligation, through a retrospective review of actual efforts incurred with estimated efforts.</li> </ul> </li> <li>• Tested aged contract assets to assess possible delays in achieving milestones, which may require a change in estimated efforts to complete the remaining performance obligations.</li> <li>• Performed analytical procedures over revenue and receivables.</li> </ul> |
| <p><b>Evaluation of uncertain tax positions</b></p> <p>The Group operates in multiple global jurisdictions which require it to estimate its income tax liabilities according to the tax laws of the respective tax jurisdiction. Further, there are matters of interpretation in terms of application of tax laws and rules to determine current tax provision and deferred taxes.</p> <p>The Group's tax positions are challenged by the tax authorities on a range of tax matters including corporate tax and transfer pricing. The Group has uncertain tax positions including erstwhile Satyam tax litigations.</p> <p>This requires the management to make significant judgements to determine the possible outcome of uncertain tax positions and consequently has an impact on related accounting and disclosures in the financial statements.</p> <p>(Refer notes 2.5 (ii), 2.16 and 38.4 to the consolidated financial statements).</p> | <p><b>Our audit procedures included:</b></p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the key uncertain tax positions.</li> <li>• Obtained a list of updates to tax assessments and tax litigations during the year, including management's assessment of the impact of these updates on the uncertain tax positions and assessment of possible outcomes. As a part of this procedure, we also considered external legal opinions and consultations made by the Group for key uncertain tax positions.</li> <li>• Involved our tax experts to test the current tax provisions, inspect key correspondence and considered legal precedence and other tax rulings in evaluating the management's assessment of uncertain tax positions.</li> <li>• Assessed Group's estimates of the possible outcome of the disputed cases, including erstwhile Satyam tax litigations.</li> <li>• Evaluated the key assumptions in estimating current tax provisions and deferred taxes.</li> </ul>                                                                                                                                                                                                                                                                                                                              |
| <p><b>Goodwill impairment assessment</b></p> <p>The Group carries goodwill resulting from business acquisitions across multiple geographic locations. There is a risk that the carrying amount of goodwill is not supported by performance of the Cash Generating Unit ('CGU') to which goodwill is allocated.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <p><b>Our audit procedures included:</b></p> <ul style="list-style-type: none"> <li>• Obtained an understanding of Group's evaluation of identification of cash generating units and allocation of goodwill to the respective cash generating units.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

|                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The Group tests goodwill for impairment annually which involves significant estimates and judgements. Due to inherent uncertainties involved in forecasting of cash flows, which are the basis of the assessment of recoverability of goodwill, this is one of the key judgmental areas.<br/>(Refer notes 2.9 (iii) and 47 to the consolidated financial statements)</p> | <ul style="list-style-type: none"> <li>• Obtained valuation reports, considered by the Group for its impairment assessment.</li> <li>• Engaged independent valuation specialists to assist in the evaluation of assumptions and methodologies used by the Group and its experts.</li> <li>• Evaluated the underlying key assumptions in estimating projections including cash flows.</li> <li>• Assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions.</li> </ul> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

## Information other than the Consolidated Financial Statements and Auditors' Report Thereon ("Other Information")

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done and audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

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 each company 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of each company.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether

due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group (company and subsidiaries) as well as associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters**

We did not audit the financial statements / financial information of 83 subsidiaries, whose financial statements / financial information reflect total assets of ₹ 87,701 Million as at 31 March 2019, total revenues of ₹129,801 Million and net cash outflows amounting to ₹ 992 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 loss (and other comprehensive income) of ₹ 655 million for the year ended 31 March 2019, in respect of 6 associates, whose financial statements / financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates is based solely on the audit reports of the other auditors.

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.

**Report on Other Legal and Regulatory Requirements**

- A. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and associates as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
- 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.
  - 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.
  - The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows 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.
  - In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
  - On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 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, incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act.
  - With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- B. With respect to the other matters to be included in the Auditors' 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 and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and associates, as noted in the 'Other Matters' paragraph:
- The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group and its associates. Refer Note 38.4 to the consolidated financial statements;
  - Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 28 to the consolidated financial statements in respect of such items as it relates to the Group and its associates; and
  - There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2019.
- C. **With respect to the matter to be included in the Auditors' Report under section 197(16):**
- In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company its subsidiary companies to its directors is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's registration No: 101248W/W-100022

**Jamil Khatri**  
Partner

Membership No. 102527

Place: Mumbai  
Date: 21 May 2019

## **ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TECH MAHINDRA LIMITED FOR THE YEAR ENDED 31 MARCH 2019**

**Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013**

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

### **Opinion**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of Tech Mahindra Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. 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 Companies Act, 2013 (hereinafter referred to as "the Act").

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements were 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated 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 relevant subsidiary companies 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 internal financial controls with reference to consolidated financial statements.

**Meaning of Internal Financial controls with Reference to Consolidated Financial Statements**

A company's internal financial controls with reference to consolidated financial statements 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 controls with reference to consolidated financial statements 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 with Reference to consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Other Matters**

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 1 subsidiary Company, which is a Company incorporated in India, is based on the corresponding report of the auditor of such Company incorporated in India.

For **B S R & Co. LLP**  
*Chartered Accountants*  
Firm's registration No: 101248W/W-100022

**Jamil Khatri**  
*Partner*  
Membership No. 102527

Place: Mumbai  
Date: 21 May 2019

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

| Consolidated Balance Sheet                                |          | ₹ in Million   |                |
|-----------------------------------------------------------|----------|----------------|----------------|
|                                                           |          | As at          |                |
|                                                           | Note No. | March 31, 2019 | March 31, 2018 |
| <b>ASSETS</b>                                             |          |                |                |
| <b>Non-Current Assets</b>                                 |          |                |                |
| (a) Property, Plant and Equipment                         | 3        | 26,229         | 29,810         |
| (b) Capital Work-in-Progress                              |          | 2,763          | 2,399          |
| (c) Investment Property                                   | 4        | 1,708          | 1,906          |
| (d) Goodwill                                              | 5        | 28,163         | 27,727         |
| (e) Other Intangible Assets                               | 6        | 14,512         | 16,781         |
| (f) Investment accounted using Equity method              | 7        | 361            | 1,010          |
| (g) Financial Assets                                      |          |                |                |
| (i) Investments                                           | 7        | 7,159          | 11,448         |
| (ii) Trade Receivables                                    | 8        | 63             | 138            |
| (iii) Loans                                               | 9        | 43             | 52             |
| (iv) Other Financial Assets                               | 10       | 4,785          | 2,468          |
| (h) Advance Income Taxes (Net of provisions)              |          | 21,397         | 17,775         |
| (i) Deferred Tax Assets (Net)                             |          | 6,091          | 5,766          |
| (j) Other Non-Current Assets                              | 11       | 5,537          | 6,022          |
| <b>Total Non - Current Assets</b>                         |          | <b>118,811</b> | <b>123,302</b> |
| <b>Current Assets</b>                                     |          |                |                |
| (a) Inventories                                           | 12       | 752            | 659            |
| (b) Financial Assets                                      |          |                |                |
| (i) Investments                                           | 13       | 65,899         | 35,949         |
| (ii) Trade Receivables                                    | 14       | 69,586         | 64,979         |
| (iii) Cash and Cash Equivalents                           | 15       | 20,427         | 19,661         |
| (iv) Other Balances with Banks                            | 16       | 3,160          | 10,782         |
| (vi) Other Financial Assets                               | 17       | 29,064         | 29,521         |
| (c) Other Current Assets                                  | 18       | 26,770         | 19,519         |
| <b>Total Current Assets</b>                               |          | <b>215,658</b> | <b>181,070</b> |
| <b>Total Assets</b>                                       |          | <b>334,469</b> | <b>304,372</b> |
| <b>EQUITY AND LIABILITIES</b>                             |          |                |                |
| <b>Equity</b>                                             |          |                |                |
| (a) Equity Share Capital                                  | 19       | 4,437          | 4,417          |
| (b) Other Equity                                          | 20       | 198,407        | 184,011        |
| Equity Attributable to Owners of the Company              |          | 202,844        | 188,428        |
| Non controlling Interest                                  |          | 4,777          | 5,091          |
| <b>Total Equity</b>                                       |          | <b>207,621</b> | <b>193,519</b> |
| <b>Liabilities</b>                                        |          |                |                |
| <b>Non-current liabilities</b>                            |          |                |                |
| (a) Financial Liabilities                                 |          |                |                |
| (i) Borrowings                                            | 21       | 2,086          | 7,711          |
| (ii) Other Financial Liabilities                          | 22       | 3,009          | 5,729          |
| (b) Provisions                                            | 23       | 5,801          | 5,551          |
| (c) Deferred tax liabilities (Net)                        |          | 11             | 58             |
| (d) Other Non-Current Liabilities                         | 24       | 325            | 333            |
| <b>Total Non - Current Liabilities</b>                    |          | <b>11,232</b>  | <b>19,382</b>  |
| <b>Current liabilities</b>                                |          |                |                |
| (a) Financial Liabilities                                 |          |                |                |
| (i) Borrowings                                            | 25       | 11,961         | 9,549          |
| (ii) Trade Payables                                       |          | 24,893         | 20,368         |
| (iii) Other Financial Liabilities                         | 26       | 34,726         | 20,063         |
| (b) Other Current Liabilities                             | 27       | 17,605         | 15,778         |
| (c) Provisions                                            | 28       | 3,952          | 4,030          |
| (d) Current Tax Liabilities (Net of advance income taxes) |          | 10,175         | 9,379          |
| <b>Total Current Liabilities</b>                          |          | <b>103,312</b> | <b>79,167</b>  |
| <b>Suspense Account (Net)</b>                             | 41       | <b>12,304</b>  | <b>12,304</b>  |
| <b>Total Equity and Liabilities and Suspense Account</b>  |          | <b>334,469</b> | <b>304,372</b> |

See accompanying notes forming part of the financial statements

As per our report of even date attached

For B S R &amp; Co. LLP

Chartered Accountants

Firm Registration No.101248W/W-100022

For Tech Mahindra Limited

Jamil Khatri

Partner

Membership No.102527

Anand G. Mahindra

Chairman

Anupam Puri

Director

V S Parthasarathy

Director

Ulhas N. Yargop

Director

Manoj Bhat

Chief Financial Officer

C. P. Gurnani

Managing Director &amp; CEO

M. Damodaran

Director

Ravindra Kulkarni

Director

Mukti Khaire

Director

M. Rajyalakshmi Rao

Director

T. N. Manoharan

Director

Anil Khatri

Company Secretary

Mumbai, India, May 21, 2019

Mumbai, India, May 21, 2019

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

| Consolidated Statement of Profit and Loss |                                                                                                            | Note No. | ₹ in Million except Earnings per share<br>For the year ended |                |
|-------------------------------------------|------------------------------------------------------------------------------------------------------------|----------|--------------------------------------------------------------|----------------|
|                                           |                                                                                                            |          | March 31, 2019                                               | March 31, 2018 |
| I                                         | Revenue from Operations                                                                                    |          | 347,421                                                      | 307,729        |
| II                                        | Other Income                                                                                               | 29       | 5,342                                                        | 14,165         |
| III                                       | Total Revenue (I + II)                                                                                     |          | 352,763                                                      | 321,894        |
| IV                                        | EXPENSES                                                                                                   |          |                                                              |                |
|                                           | Employee Benefit Expenses                                                                                  | 30       | 175,079                                                      | 166,240        |
|                                           | Subcontracting Expenses                                                                                    |          | 43,497                                                       | 38,880         |
|                                           | Finance Costs                                                                                              | 31       | 1,332                                                        | 1,624          |
|                                           | Depreciation and Amortisation Expense                                                                      | 32       | 11,292                                                       | 10,850         |
|                                           | Other Expenses                                                                                             | 33       | 65,476                                                       | 55,513         |
|                                           | Total Expenses                                                                                             |          | 296,676                                                      | 273,107        |
| V                                         | Share in Profit / (Loss) of Associates                                                                     |          | (655)                                                        | 1              |
| VI                                        | Profit before Tax (III-IV+V)                                                                               |          | 55,432                                                       | 48,788         |
| VII                                       | Income Tax Expense                                                                                         |          |                                                              |                |
|                                           | Current Tax                                                                                                |          | 13,786                                                       | 11,768         |
|                                           | Deferred Tax                                                                                               |          | (1,242)                                                      | (842)          |
|                                           | Total Tax Expense                                                                                          |          | 12,544                                                       | 10,926         |
| VIII                                      | Profit after tax (VI-VII)                                                                                  |          | 42,888                                                       | 37,862         |
|                                           | Profit for the year attributable to:                                                                       |          | 42,888                                                       | 37,862         |
|                                           | Owners of the Company                                                                                      |          | 42,976                                                       | 37,998         |
|                                           | Non Controlling Interests                                                                                  |          | (88)                                                         | (136)          |
| IX                                        | Other Comprehensive Income                                                                                 |          |                                                              |                |
| A                                         | I. Items that will not be reclassified to Profit or Loss                                                   |          |                                                              |                |
|                                           | (a) Remeasurements of the Defined Benefit Liabilities - (loss)                                             |          | (42)                                                         | 162            |
|                                           | (b) Equity Instruments through Other Comprehensive Income - (loss)                                         |          | (101)                                                        | (236)          |
|                                           | II. Income Tax relating to items that will not be reclassified to Profit or Loss                           |          | 7                                                            | (70)           |
| B                                         | I. Items that will be reclassified to Profit or Loss                                                       |          |                                                              |                |
|                                           | (a) Exchange differences in translating the Financial Statements of Foreign Operations - gain/(loss) (net) |          | 830                                                          | 2,058          |
|                                           | (b) Effective portion of gains on Designated Portion of Hedging Instruments in a Cash Flow Hedge (net)     |          | 2,507                                                        | (6,454)        |
|                                           | II. Income Tax relating to items that will be reclassified to Profit or Loss                               |          | (775)                                                        | 2,350          |
|                                           | Total Other Comprehensive Income / (Loss) (A+B)                                                            |          | 2,426                                                        | (2,190)        |
| X                                         | Total Comprehensive Income (VIII+IX)                                                                       |          | 45,314                                                       | 35,672         |
|                                           | Total Comprehensive Income for the year attributable to:                                                   |          | 45,314                                                       | 35,672         |
|                                           | Owners of the Company                                                                                      |          | 45,376                                                       | 35,519         |
|                                           | Non Controlling Interests                                                                                  |          | (62)                                                         | 153            |
| XI                                        | Earnings per Equity Share (Face Value ₹ 5) in ₹                                                            | 56       |                                                              |                |
|                                           | Basic                                                                                                      |          | 48.47                                                        | 43.02          |
|                                           | Diluted                                                                                                    |          | 47.72                                                        | 42.66          |
|                                           | See accompanying notes forming part of the financial statements                                            | 1 to 60  |                                                              |                |

As per our report of even date attached  
For B S R & Co. LLP  
Chartered Accountants  
Firm Registration No.101248W/W-100022

Jamil Khatri  
Partner  
Membership No.102527

Anand G. Mahindra  
Chairman  
Anupam Puri  
Director  
V S Parthasarathy  
Director  
Ulhas N. Yargop  
Director  
Manoj Bhat  
Chief Financial Officer

Mumbai, India, May 21, 2019

For Tech Mahindra Limited

C. P. Gurnani  
Managing Director & CEO  
M. Damodaran  
Director  
Ravindra Kulkarni  
Director  
Mukti Khaire  
Director  
M. Rajyalakshmi Rao  
Director  
T. N. Manoharan  
Director

Anil Khatri  
Company Secretary

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

## A. Equity Share Capital

|  | ₹ in Million                |                                                       |                              |
|--|-----------------------------|-------------------------------------------------------|------------------------------|
|  | Balance as of April 1, 2017 | Changes in equity share capital during the year ended | Balance as at March 31, 2018 |
|  | 4,388                       | 29                                                    | 4,417                        |
|  | Balance as of April 1, 2018 | Changes in equity share capital during the year ended | Balance as at March 31, 2019 |
|  | 4,417                       | 20                                                    | 4,437                        |

## B. Other Equity

| Particulars                                                                 | Share Application Money pending Allotment | Reserves & Surplus |                                  |                    |                                  |                 |               | Items of Other comprehensive Income        |                   |                                       |                                                       | Owners Equity | Non Controlling Interest | Total        |                                      |
|-----------------------------------------------------------------------------|-------------------------------------------|--------------------|----------------------------------|--------------------|----------------------------------|-----------------|---------------|--------------------------------------------|-------------------|---------------------------------------|-------------------------------------------------------|---------------|--------------------------|--------------|--------------------------------------|
|                                                                             |                                           | Capital reserve    | Capital Reserve on Consolidation | Securities Premium | Share Option Outstanding Account | General Reserve | Other Reserve | Special Economic Zone Reinvestment Reserve | Retained Earnings | Effective portion of Cash Flow Hedges | Equity Instruments through Other Comprehensive Income |               |                          |              | Foreign Currency Translation Reserve |
| Balance as at April 1, 2017, as reported                                    | 19                                        | 60                 | 137                              | 21,392             | 5,453                            | 397             | 3             | -                                          | 128,436           | 4,901                                 | (4)                                                   | (811)         | 159,984                  | 4,641        | 164,625                              |
| Profit for the year ended                                                   | -                                         | -                  | -                                | -                  | -                                | -               | -             | -                                          | 37,998            | -                                     | -                                                     | -             | 37,998                   | (136)        | 37,862                               |
| Other Comprehensive Income (net of tax)                                     | -                                         | -                  | -                                | -                  | -                                | -               | -             | -                                          | 92                | (4,104)                               | (236)                                                 | 1,769         | (2,479)                  | 289          | (2,190)                              |
| <b>Total Comprehensive income</b>                                           | -                                         | -                  | -                                | -                  | -                                | -               | -             | -                                          | <b>38,090</b>     | <b>(4,104)</b>                        | <b>(236)</b>                                          | <b>1,769</b>  | <b>35,519</b>            | <b>153</b>   | <b>35,672</b>                        |
| Transfer to Special Economic Zone reinvestment reserve                      | -                                         | -                  | -                                | -                  | -                                | -               | -             | 42                                         | (42)              | -                                     | -                                                     | -             | -                        | -            | -                                    |
| Transfer on allotment of Equity Shares                                      | (247)                                     | -                  | -                                | 219                | -                                | -               | -             | -                                          | -                 | -                                     | -                                                     | -             | (28)                     | -            | (28)                                 |
| Received on exercise of Stock options                                       | 252                                       | -                  | -                                | -                  | -                                | -               | -             | -                                          | -                 | -                                     | -                                                     | -             | 252                      | -            | 252                                  |
| Transferred to/from Non Controlling interest                                | -                                         | -                  | -                                | -                  | -                                | -               | -             | -                                          | -                 | -                                     | -                                                     | -             | -                        | -            | -                                    |
| Share Based Payments to Employees (net)                                     | -                                         | -                  | -                                | -                  | 890                              | -               | -             | -                                          | -                 | -                                     | -                                                     | -             | 890                      | -            | 890                                  |
| Dividend ( including Tax on Dividend)                                       | -                                         | -                  | -                                | -                  | -                                | -               | -             | -                                          | (9,438)           | -                                     | -                                                     | -             | (9,438)                  | -            | (9,438)                              |
| On Account of transaction with Non Controlling Interest                     | -                                         | -                  | -                                | -                  | -                                | -               | -             | -                                          | (3,177)           | -                                     | -                                                     | -             | (3,177)                  | (1,452)      | (4,629)                              |
| Transfer to / from retained earning on account of forfeiture of options     | -                                         | -                  | -                                | -                  | (51)                             | -               | -             | -                                          | 51                | -                                     | -                                                     | -             | -                        | -            | -                                    |
| Transfer from share option outstanding account on exercise of stock options | -                                         | -                  | -                                | 2,168              | (2,168)                          | -               | -             | -                                          | -                 | -                                     | -                                                     | -             | -                        | -            | -                                    |
| Additions during the year                                                   | -                                         | -                  | -                                | -                  | -                                | -               | -             | -                                          | -                 | -                                     | -                                                     | -             | -                        | 1,749        | 1,749                                |
| Refunded during the year                                                    | (1)                                       | -                  | -                                | -                  | -                                | -               | -             | -                                          | -                 | -                                     | -                                                     | -             | (1)                      | -            | (1)                                  |
| Others                                                                      | -                                         | -                  | -                                | 10                 | -                                | -               | -             | -                                          | -                 | -                                     | -                                                     | -             | 10                       | -            | 10                                   |
| <b>Balance as at the March 31, 2018</b>                                     | <b>23</b>                                 | <b>60</b>          | <b>137</b>                       | <b>23,789</b>      | <b>4,124</b>                     | <b>397</b>      | <b>3</b>      | <b>42</b>                                  | <b>153,918</b>    | <b>797</b>                            | <b>(240)</b>                                          | <b>960</b>    | <b>184,011</b>           | <b>5,091</b> | <b>189,102</b>                       |

| Particulars                                                                                                                                                                                                                                                                                                                                                            | Share Application Money pending Allotment | Reserves & Surplus |                                  |                    |                                  |                 | Items of Other comprehensive Income |                                            |                   |                                       | Owners Equity                                         | Non Controlling Interest             | Total          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|--------------------|----------------------------------|--------------------|----------------------------------|-----------------|-------------------------------------|--------------------------------------------|-------------------|---------------------------------------|-------------------------------------------------------|--------------------------------------|----------------|
|                                                                                                                                                                                                                                                                                                                                                                        |                                           | Capital reserve    | Capital Reserve on Consolidation | Securities Premium | Share Option Outstanding Account | General Reserve | Other Reserve                       | Special Economic Zone Reinvestment Reserve | Retained Earnings | Effective portion of Cash Flow Hedges | Equity Instruments through Other Comprehensive Income | Foreign Currency Translation Reserve |                |
| Balance as at April 1, 2018                                                                                                                                                                                                                                                                                                                                            | 23                                        | 60                 | 137                              | 23,789             | 4,124                            | 397             | 3                                   | 42                                         | 153,918           | 797                                   | (240)                                                 | 960                                  | 184,011        |
| Profit for the year ended                                                                                                                                                                                                                                                                                                                                              | -                                         | -                  | -                                | -                  | -                                | -               | -                                   | -                                          | 42,976            | -                                     | -                                                     | -                                    | 42,976         |
| Other Comprehensive Income (net of tax)                                                                                                                                                                                                                                                                                                                                | -                                         | -                  | -                                | -                  | -                                | -               | -                                   | -                                          | (35)              | 1,732                                 | (101)                                                 | 804                                  | 2,400          |
| <b>Total Comprehensive Income</b>                                                                                                                                                                                                                                                                                                                                      | -                                         | -                  | -                                | -                  | -                                | -               | -                                   | -                                          | <b>42,941</b>     | <b>1,732</b>                          | <b>(101)</b>                                          | <b>804</b>                           | <b>45,376</b>  |
| Transfer to Special Economic Zone reinvestment reserve                                                                                                                                                                                                                                                                                                                 | -                                         | -                  | -                                | -                  | -                                | -               | -                                   | 8,160                                      | (8,160)           | -                                     | -                                                     | -                                    | -              |
| Transfer from Special Economic Zone reinvestment reserve                                                                                                                                                                                                                                                                                                               | -                                         | -                  | -                                | -                  | -                                | -               | -                                   | (2,232)                                    | 2,232             | -                                     | -                                                     | -                                    | -              |
| Transfer on allotment of Equity Shares                                                                                                                                                                                                                                                                                                                                 | (361)                                     | -                  | -                                | 343                | -                                | -               | -                                   | -                                          | -                 | -                                     | -                                                     | -                                    | (18)           |
| Received on exercise of Stock options                                                                                                                                                                                                                                                                                                                                  | 366                                       | -                  | -                                | -                  | -                                | -               | -                                   | -                                          | -                 | -                                     | -                                                     | -                                    | 366            |
| Transferred to/from Non Controlling Interest (Refer No.36.8.(i))                                                                                                                                                                                                                                                                                                       | -                                         | -                  | -                                | -                  | -                                | -               | -                                   | -                                          | 201               | -                                     | -                                                     | -                                    | 201            |
| Share Based Payments to Employees (net)                                                                                                                                                                                                                                                                                                                                | -                                         | -                  | -                                | -                  | 1,263                            | -               | -                                   | -                                          | -                 | -                                     | -                                                     | -                                    | 1,263          |
| Dividend (including Tax on Dividend)                                                                                                                                                                                                                                                                                                                                   | -                                         | -                  | -                                | -                  | -                                | -               | -                                   | -                                          | (14,907)          | -                                     | -                                                     | -                                    | (14,907)       |
| Contractual obligation for Buyback (Refer No.19(vii))                                                                                                                                                                                                                                                                                                                  | -                                         | -                  | -                                | (17,785)           | -                                | -               | -                                   | -                                          | (94)              | -                                     | -                                                     | -                                    | (17,879)       |
| Transfer to retained earnings on account of options lapsed                                                                                                                                                                                                                                                                                                             | -                                         | -                  | -                                | -                  | (62)                             | -               | -                                   | -                                          | 62                | -                                     | -                                                     | -                                    | -              |
| Transfer from share option outstanding on account of exercise of stock options                                                                                                                                                                                                                                                                                         | -                                         | -                  | -                                | 1,262              | (1,262)                          | -               | -                                   | -                                          | -                 | -                                     | -                                                     | -                                    | -              |
| Refunded during the year                                                                                                                                                                                                                                                                                                                                               | (8)                                       | -                  | -                                | -                  | -                                | -               | -                                   | -                                          | -                 | -                                     | -                                                     | -                                    | (8)            |
| Others                                                                                                                                                                                                                                                                                                                                                                 | -                                         | -                  | -                                | 2                  | -                                | -               | 2                                   | -                                          | (2)               | -                                     | -                                                     | -                                    | 2              |
| <b>Balance as at March 31, 2019</b>                                                                                                                                                                                                                                                                                                                                    | <b>20</b>                                 | <b>60</b>          | <b>137</b>                       | <b>7,611</b>       | <b>4,063</b>                     | <b>397</b>      | <b>5</b>                            | <b>5,970</b>                               | <b>176,191</b>    | <b>2,529</b>                          | <b>(341)</b>                                          | <b>1,764</b>                         | <b>198,407</b> |
| <b>Share Application Money pending Allotment :</b>                                                                                                                                                                                                                                                                                                                     |                                           |                    |                                  |                    |                                  |                 |                                     |                                            |                   |                                       |                                                       |                                      |                |
| Money received as advance towards allotment of share capital is recorded as share application money pending allotment.                                                                                                                                                                                                                                                 |                                           |                    |                                  |                    |                                  |                 |                                     |                                            |                   |                                       |                                                       |                                      |                |
| <b>Capital Reserve :</b>                                                                                                                                                                                                                                                                                                                                               |                                           |                    |                                  |                    |                                  |                 |                                     |                                            |                   |                                       |                                                       |                                      |                |
| Capital Reserve has been created pursuant to scheme of amalgamation of entities with Tech Mahindra Limited, as approved by the Courts.                                                                                                                                                                                                                                 |                                           |                    |                                  |                    |                                  |                 |                                     |                                            |                   |                                       |                                                       |                                      |                |
| <b>Securities Premium :</b>                                                                                                                                                                                                                                                                                                                                            |                                           |                    |                                  |                    |                                  |                 |                                     |                                            |                   |                                       |                                                       |                                      |                |
| Securities premium reserve is used to record the premium on issue of shares. The fair value of employee stock options is recognised in Securities Premium once the shares have been allotted on exercise of the options.                                                                                                                                               |                                           |                    |                                  |                    |                                  |                 |                                     |                                            |                   |                                       |                                                       |                                      |                |
| <b>Share Option Outstanding Account :</b>                                                                                                                                                                                                                                                                                                                              |                                           |                    |                                  |                    |                                  |                 |                                     |                                            |                   |                                       |                                                       |                                      |                |
| It represents the fair value of services received against employees stock options outstanding as at balance sheet date.                                                                                                                                                                                                                                                |                                           |                    |                                  |                    |                                  |                 |                                     |                                            |                   |                                       |                                                       |                                      |                |
| <b>Special Economic Zone reinvestment Reserve :</b>                                                                                                                                                                                                                                                                                                                    |                                           |                    |                                  |                    |                                  |                 |                                     |                                            |                   |                                       |                                                       |                                      |                |
| The Special Economic Zone reinvestment reserve has been created out of the profit of eligible SEZ units in terms of the provisions of section 10AAA(1)(ii) of the Income-tax Act, 1961. The reserve needs to be utilised by the Company for acquiring new plant and machinery for the purpose of its business in the terms of section 10AA(2) of Income-tax Act, 1961. |                                           |                    |                                  |                    |                                  |                 |                                     |                                            |                   |                                       |                                                       |                                      |                |

**Retained Earnings:**

Retained earnings represents the undistributed profits of the group accumulated as on balance sheet date.

**Cash Flow Hedging Reserve :**

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged transaction occurs.

**Foreign currency translation reserve :**

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.

**Statutory reserve :**

Statutory reserve represent reserve created out of profits for compliance of local laws of subsidiary.

**Capital reserve on consolidation :**

The capital reserve on consolidation represent excess of net assets over consideration paid for the acquisition of a subsidiary.

**General Reserve :**

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes.

**Equity Instruments through Other Comprehensive Income :**

It represents gain/loss earned on investment in equity instruments valued at fair value through other comprehensive income.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration No.101248WW/M-100022

**Jamil Khatri**

Partner

Membership No.102527

Mumbai, India, May 21, 2019

**For Tech Mahindra Limited**

**Anand G. Mahindra**

Chairman

**Anupam Puri**

Director

**V S Parthasarathy**

Director

**Ulhas N. Yargop**

Director

**Manoj Bhat**

Chief Financial Officer

Mumbai, India, May 21, 2019

**C. P. Gurnani**

Managing Director & CEO

**M. Damodaran**

Director

**Ravindra Kulkarni**

Director

**Mukti Khaire**

Director

**M. Rajyalakshmi Rao**

Director

**T. N. Manoharan**

Director

**Anil Khatri**

Company Secretary

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

| Consolidated Cash Flow Statement |                                                                                                          | ₹ in Million       |                 |
|----------------------------------|----------------------------------------------------------------------------------------------------------|--------------------|-----------------|
|                                  |                                                                                                          | For the year ended |                 |
|                                  |                                                                                                          | March 31, 2019     | March 31, 2018  |
| <b>A</b>                         | <b>Cash Flow from Operating Activities</b>                                                               |                    |                 |
|                                  | Profit Before Tax                                                                                        | 55,432             | 48,788          |
|                                  | Adjustments for :                                                                                        |                    |                 |
|                                  | Depreciation and Amortisation Expense                                                                    | 11,292             | 10,850          |
|                                  | Allowances / (Reversal) for Doubtful Receivables / Advances and Deposits and Bad Debts written off (net) | 3,452              | 1,618           |
|                                  | Share of (Profit) / Loss of Associates                                                                   | 655                | (1)             |
|                                  | Net gain on disposal of Property, Plant and Equipment, Investment Property and Intangible Assets         | (154)              | (1,564)         |
|                                  | Finance Costs                                                                                            | 1,332              | 1,624           |
|                                  | Unrealised Exchange (Gain) / Loss (net)                                                                  | 2,762              | (119)           |
|                                  | Share Based Payments to Employees                                                                        | 1,263              | 887             |
|                                  | Interest Income                                                                                          | (2,077)            | (1,455)         |
|                                  | Rental Income                                                                                            | (292)              | (269)           |
|                                  | Dividend Income on Investments                                                                           | (243)              | (583)           |
|                                  | Gain on sale of Investments, net                                                                         | (871)              | (499)           |
|                                  | Unrealised gain on fair valuation of investments through Profit and Loss                                 | (1,490)            | (794)           |
|                                  | Change in fair valuation of Contractual Obligation                                                       | 445                | -               |
|                                  | Profit on sale of subsidiary                                                                             | -                  | (87)            |
|                                  | Provision for diminution in value of investment in associate                                             | -                  | 235             |
|                                  |                                                                                                          | 71,506             | 58,631          |
|                                  | Changes in working capital                                                                               |                    |                 |
|                                  | Trade Receivables and Other Assets                                                                       | (16,190)           | (10,442)        |
|                                  | Trade Payables, Other Liabilities and Provisions                                                         | 5,616              | 2,610           |
|                                  |                                                                                                          | (10,574)           | (7,832)         |
|                                  | Cash generated from operating activities before taxes                                                    | 60,932             | 50,799          |
|                                  | Income taxes paid, net                                                                                   | (16,612)           | (15,264)        |
|                                  | <b>Net cash generated from operating activities (A)</b>                                                  | <b>44,320</b>      | <b>35,535</b>   |
| <b>B</b>                         | <b>Cash Flow from Investing Activities</b>                                                               |                    |                 |
|                                  | Purchase of Property, Plant and Equipment, Intangible Assets and Investment property                     | (8,046)            | (10,166)        |
|                                  | Proceeds from Sale of Property, Plant and Equipment, Intangible Assets and Investment property           | 253                | 2,264           |
|                                  | Purchase of Mutual Funds, Debentures and Other Investments                                               | (234,272)          | (180,863)       |
|                                  | Proceeds from sale / redemption of Mutual Funds, Debentures and Other Investments                        | 211,056            | 162,948         |
|                                  | Payment for acquisition of business and related obligations, net of cash acquired                        | (1,350)            | (11,321)        |
|                                  | Purchase Price Adjustment                                                                                | -                  | 442             |
|                                  | Proceeds from sale of Subsidiary                                                                         | -                  | 258             |
|                                  | Rental Income                                                                                            | 315                | 196             |
|                                  | Fixed Deposit/ Margin Money Placed                                                                       | (76,166)           | (80,799)        |
|                                  | Fixed Deposit/ Margin Money Realized                                                                     | 85,564             | 82,199          |
|                                  | Interest Income Received                                                                                 | 1,482              | 1,245           |
|                                  | <b>Net cash (used in) investing activities (B)</b>                                                       | <b>(21,164)</b>    | <b>(33,597)</b> |

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019**

| Consolidated Cash Flow Statement                                                        | ₹ in Million       |                |
|-----------------------------------------------------------------------------------------|--------------------|----------------|
|                                                                                         | For the year ended |                |
|                                                                                         | March 31, 2019     | March 31, 2018 |
| <b>C Cash Flow from Financing Activities</b>                                            |                    |                |
| Proceeds from Issuance of Equity Shares from exercise of stock options (net of refunds) | 359                | 251            |
| Payment of dividend (including dividend distribution tax thereon)                       | (14,907)           | (9,438)        |
| Deposits placed / earmarked for buyback of equity shares                                | (2,106)            | -              |
| Share application money infused by other share holders in subsidiaries                  | -                  | 606            |
| Proceeds from Long-Term Borrowings                                                      | 180                | 9,545          |
| Repayment of Long-Term Borrowings                                                       | (6,656)            | (2,112)        |
| Movement in Short-Term Borrowings (net)                                                 | 1,972              | 53             |
| Finance Costs paid                                                                      | (1,354)            | (1,599)        |
| <b>Net cash (used in) financing activities (C)</b>                                      | <b>(22,512)</b>    | <b>(2,694)</b> |
| <b>Net Increase / (Decrease) in cash and cash equivalents during the year (D=A+B+C)</b> | <b>644</b>         | <b>(756)</b>   |
| Effect of exchange rate changes on cash and cash equivalents (E)                        | 122                | 404            |
| <b>Cash and Cash Equivalents at the beginning of the year (F)</b>                       | <b>19,661</b>      | <b>20,013</b>  |
| <b>Cash and Cash Equivalents at the end of the year (G=D+E+F) (refer note 15)</b>       | <b>20,427</b>      | <b>19,661</b>  |

**Notes :**

- I Purchase of Property, Plant and Equipment and Intangible Assets include net movements in 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 During the year ended, the Company has acquired assets on finance lease amounting to ₹ 383 million (year ended March 31, 2018 ₹ 825 million). The same are not reflected in the statement of cash flows being non cash in nature. (refer note 3)

See accompanying notes forming part of the Consolidated financial statements

As per our report of even date attached  
For **B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No.101248W/W-100022

For Tech Mahindra Limited

**Jamil Khatri**  
Partner  
Membership No.102527

**Anand G. Mahindra**  
Chairman  
**Anupam Puri**  
Director  
**V S Parthasarathy**  
Director  
**Ulhas N. Yargop**  
Director  
**Manoj Bhat**  
Chief Financial Officer

**C. P. Gurnani**  
Managing Director & CEO  
**M. Damodaran**  
Director  
**Ravindra Kulkarni**  
Director  
**Mukti Khaire**  
Director  
**M. Rajyalakshmi Rao**  
Director  
**T. N. Manoharan**  
Director  
**Anil Khatri**  
Company Secretary

Mumbai, India, May 21, 2019

Mumbai, India, May 21, 2019

## Notes forming part of the Financial Statements for the year ended March 31, 2019

### 1. Corporate Information:

Tech Mahindra Limited (referred to as "TechM" or the "Company") is a leading provider of consulting-led integrated portfolio services to customers which are Telecom Equipment Manufacturers, Telecom Service Providers and IT Infrastructure Service Providers, Business Process Outsourcing Service Providers as well as Enterprise Solutions Services (BFSI, Retail & Logistics, Manufacturing, Energy and Utility (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. It also 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 a 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 is a public limited Company incorporated and domiciled in India. The address of its registered office is Gateway Building, Apollo Bunder, Mumbai – 400 001. The Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The Board of Directors approved the consolidated financial statements for the year ended March 31, 2019 and authorized for issue on May 21, 2019.

### 2. Significant accounting policies:

#### 2.1 Statement of Compliance:

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

#### 2.2 Basis for preparation of financial statements:

The functional currency of the Company and its Indian subsidiaries is the Indian Rupee ("INR"). The functional currency of foreign subsidiaries is the currency of the primary economic environment in which the entity operates.

These consolidated financial statements have been prepared on historical cost basis except for certain financial instruments which are

measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Group has considered an operating cycle of 12 months.

The statement of cash flows have been prepared under indirect method.

#### 2.3 Basis of Consolidation:

The consolidated financial statements comprise the financial statements of Tech Mahindra Limited and its subsidiaries (the Company and its subsidiaries constitute "the Group"). The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed or has rights to variable returns from its involvement with the entity and has ability to affect the entity's returns by using its power over the entity. The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

The consolidated financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances, transactions including unrealized gain / loss from such transactions and cash flows are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the company, are excluded.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the company's interests and the non-controlling interests are adjusted to reflect changes in their relative interests

in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

An associate is an entity over which the investor has significant influence but not control. An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included in the carrying amount of investment. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of investment, after reassessment, is recognised in capital reserve in the period in which investment is acquired.

## 2.4 Business Combinations:

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the date of exchange by the Group. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business acquisition are expensed as incurred.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

When the consideration transferred by the Company in a business combination includes assets or liabilities resulting from a contingent arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting

dates in accordance with IND AS 109 *Financial Instruments* or IND AS 37 *Provisions, Contingent Liabilities and Contingent Assets*, with the corresponding gain or loss being recognised in profit or loss.

Business combinations arising from transfers of interests in entities that are under the common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity.

## Goodwill and intangible assets

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

Intangible assets acquired separately are measured at cost of acquisition. Intangible assets acquired in a business combination are measured at fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

## 2.5 Use of Estimates:

The preparation of consolidated financial statements requires the management of the Group to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of consolidated financial statements, disclosure of contingent liabilities as at the date of the consolidated financial statements, and the reported amounts of income and expenses during the reported period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

## Critical accounting estimates

### i) Revenue Recognition

The Group applies the percentage of completion method in accounting for its fixed price development contracts. Use of the percentage of completion method requires the Group to estimate the efforts or costs expended to date (input method) as a

proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Further, the group exercises significant judgments while determining the transaction price allocated to performance obligations using the expected cost plus margin approach.

## ii) Income taxes and deferred taxes

The major tax jurisdictions for the Company are India and the United States of America. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced. The policy for the same has been explained under Note 2.16.

## iii) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base

of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The policy for the same has been explained under Note 2.6.

## iv) Provisions

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. The policy for the same has been explained under Note 2.20.

## v) Business combinations and intangible assets

Business combinations are accounted for using Ind AS 103. Ind AS 103 requires the identifiable net assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets and their estimated useful life. These valuations are generally conducted by independent valuation experts.

## vi) Impairment of Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit

or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

**vii) Defined benefit plans and compensated absences**

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The policy for the same has been explained under Note 2.15.

**viii) Expected credit losses on financial assets**

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period. The policy for the same has been explained under Note 2.9.

**ix) Other estimates**

The share based compensation expense is determined based on the Group's estimate of equity instruments that will eventually vest.

**2.6 Property, Plant & Equipment and Intangible assets:**

Property, Plant & Equipment and intangible assets are stated at cost less accumulated depreciation/amortisation and net of impairment. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

The cost of property, plant and equipment not available for use as at each reporting date is disclosed under capital work in progress.

Depreciable amount for assets is the cost of an asset, less its estimated residual value. Depreciation on Property, Plant & Equipment (including assets taken on lease), other than freehold land, is charged based on the straight line method on the estimated useful life as prescribed in Schedule II to the Companies Act, 2013 except in respect of the certain categories of assets, where the life of the assets has been assessed based on internal technical estimate, considering the nature of the asset, estimated usage of the asset, the operating conditions of the asset and past history of replacement, anticipated technological changes. The estimated useful lives of assets are as follows:

| Particulars            | Life           |
|------------------------|----------------|
| Buildings              | 28 to 50 years |
| Computers              | 2 to 5 years   |
| Plant and Equipments   | 3 to 20 years  |
| Furniture and Fixtures | 3 to 15 years  |
| Vehicles               | 3 to 5 years   |
| Office Equipments      | 3 to 20 years  |

Intangible assets are amortised on a straight line basis over their useful lives as given below:

| Particulars                                | Life          |
|--------------------------------------------|---------------|
| Brand                                      | 4 to 10 years |
| Customer relationships/related intangibles | 2 to 7 years  |
| Intellectual Property Rights               | 4 to 10 Years |
| Software taken on lease                    | 2 to 5 years  |
| Software other than taken on lease         | 1 to 10 years |
| Others                                     | 3 to 5 years  |

The estimated useful lives and residual values of Property, Plant & Equipment and Intangible assets are reviewed at the end of each reporting period.

Assets acquired under finance lease and leasehold improvements are amortized over the shorter of estimated useful life of the asset or the related lease term.

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/project period, whichever is lower.

Intellectual Property Rights ('IPR') comprise right to use for licensed software. The Company has recognised the IPR based on present value of consideration paid. Subsequent to initial recognition, the intangible asset is measured at cost, less any accumulated amortization and accumulated impairment losses. The IPR's are amortised over their estimated useful life of 4 to 10 years on a straight line basis.

An item of Property, Plant & Equipment and intangibles asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant & Equipment and intangible assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

When the use of a property changes from owner occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

## 2.7 Investment Property:

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment losses, if any in accordance with Ind AS 16 *Property, Plant and Equipment*.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying

amount of the asset) is included in profit or loss in the period in which the property is derecognised.

## Useful life of investment properties:

| Particulars            | Life           |
|------------------------|----------------|
| Buildings              | 28 to 50 years |
| Plant and Equipments   | 3 to 20 years  |
| Furniture and Fixtures | 3 to 15 years  |
| Office equipment       | 3 to 20 years  |

## 2.8 Leases:

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is, or contains a lease if, fulfilment of the arrangement is dependent on the use of a specific asset or assets, even if that right is not explicitly stated in the arrangement.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

### 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 lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

### 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 consolidated statement of profit and loss on a straight line basis over the lease term except where the rentals are structured to increase in line with expected general inflation.

**2.9 Impairment of Assets:****i) Financial assets**

The Group applies the expected credit loss model for recognizing impairment loss on financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using effective interest rate.

Loss allowances for trade receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to the account historical credit loss experience adjusted for forward looking information. For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss.

**ii) Non-financial assets**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

**iii) Goodwill**

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including

operating results, business plans and future cash flows.

The Group estimates the value-in-use of the cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rate used for the CGU's represent the weighted average cost of capital based on the historical market returns of comparable companies.

**2.10 Inventories:****Hardware, Software and Product Components:**

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

**Projects in Progress / Work in Progress:**

Hardware equipments, softwares 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.

**2.11 Revenue recognition:**

Revenue from information technology services and business process outsourcing services include revenue earned from services rendered on 'time and material' basis, time bound fixed price engagements and fixed price development contracts.

Effective April 1, 2018, the Group adapted Ind AS 115 "Revenue from contracts with customers" which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Group has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information has not been restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The adoption of the standard did not have any significant impact to the consolidated financial statements of the Group.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expect to receive in exchange for those products or services, net of indirect taxes, discounts, rebates, credits, price concessions, incentives, performance bonuses, penalties, or other similar items.

Revenue from time and material contracts is recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.

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

Revenue on fixed price development contracts is recognised using the 'percentage of completion' method of accounting, unless work completed cannot be reasonably estimated. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Group does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognized only to the extent of contract cost incurred for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the consolidated statement of profit and loss in the period in which such losses become probable based on the current contract estimates.

The solutions offered by the Group may include supply of third party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Group is acting as the principal or as an agent of the customer. The Group recognizes gross amount of consideration as revenue when it is acting as a principal and net amount of consideration as revenue when it is acting as an agent.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liability ("Unearned revenue") arises when there are billing in excess of revenue.

In arrangements for hardware and software implementation and integration, related services and maintenance services, the Group has applied the guidance in Ind AS 115, by applying the revenue recognition criteria for each distinct performance obligation. For allocating the transaction price, the Group has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Group is unable to determine the standalone selling price, the Group uses the expected cost plus margin approach in estimating the standalone selling price. Fixed Price Development contracts and related services, the performance obligation are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Revenue from licenses where the customer obtains a 'right to use' the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a 'right to access' is recognised over the access period. The Group has applied the principles of Ind AS 115 to account for revenues for these performance obligations.

The Group recognises revenue for a sales-based or usage-based royalty promised in exchange for a license of intellectual property only when (or as) the subsequent sale or usage occurs.

The Group accounts for volume discount and pricing incentives to customers as a reduction based on ratable allocation of the discounts/incentives amount to each of the underlying performance obligation that corresponds to the progress made by the customer towards earning the discount/incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the Group recognises the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognised until the payment is probable and the amount can be estimated reliably. The Group recognises changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Deferred contract costs are upfront costs incurred for the contract and are amortized on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Group disaggregates revenue from contracts with customers by nature of services, geography and industry verticals

Dividend income is recognised when the Group's right to receive dividend is established. Interest income is recognised using effective interest rate method.

Rental income from the investment property is recognised in consolidated statement of profit and loss on a straight-line basis over the term of lease except where the rentals are structured to increase in line with expected general inflation.

## 2.12 Foreign currency transactions:

The functional currency of the Company and its Indian subsidiaries is Indian Rupees (INR) whereas the functional currency of foreign subsidiaries is the currency of their primary economic environment.

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the date of Balance Sheet. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognized in the profit or loss.

## 2.13 Foreign Operations:

For the purpose of these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising on translation are recognised in other comprehensive income and accumulated in equity.

When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the consolidated statement of profit and loss.

## 2.14 Financial Instruments:

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

### i) Non-derivative financial instruments:

#### Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash and 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.

#### Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate method less impairment losses, if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Financial assets at fair value

Financial assets not measured at amortised cost are carried at fair value through profit or loss (FVTPL) on initial recognition, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in 'other comprehensive income', for investment in equity instruments which are not held for trading.

The Group, on initial application of IND AS 109 *Financial Instruments* has made an

irrevocable election to present in 'other comprehensive income', subsequent changes in fair value of equity instruments not held for trading.

Financial asset at FVTPL, are measured at fair values at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

## **Financial liabilities**

Financial liabilities are subsequently carried at amortised cost using the effective interest rate method or at FVTPL. For financial liabilities carried at amortised cost, the carrying amounts approximate fair values due to the short term maturities of these instruments. Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised in a business combination, or is held for trading or it is designated as FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit and loss.

## **ii) Derivative financial instruments and hedge accounting**

The Group is exposed to foreign currency fluctuations on foreign currency assets, liabilities and forecasted cash flows nominated in foreign currency. The Group uses foreign currency forward contracts / options to hedge its risks associated with foreign currency fluctuations relating to certain forecasted transactions. The Group designates some of these forward contracts / options as hedge instruments and accounts for them as cash flow hedges applying the recognition and measurement principles set out in Ind AS 109.

The use of foreign currency forward contracts / options is governed by the Group's risk management policy 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 in other comprehensive income and accumulated under 'effective portion of cash flow hedges' (net of taxes), and the ineffective portion is recognised immediately in the consolidated statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in effective portion of cash flow hedges are reclassified to the consolidated statement of profit and loss in the same period in which gains/losses on the item hedged are recognised in the consolidated statement of profit and loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the consolidated 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 classified as effective portion of cash flow hedges is classified to consolidated 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 effective portion of cash flow hedges is transferred to the consolidated statement of profit and loss for the period.

## **iii) Derecognition of financial instruments**

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group retains substantially all the risk and rewards of transferred financial assets, the Group continues to recognize the financial asset and also recognizes the borrowing for the proceeds received.

The Group derecognises financial liabilities when, and only when, the Group's obligation are discharged, cancelled or have expired.

## **iv) Financial Guarantee contracts**

Financial guarantee contracts issued by the Group are initially measured at

fair value and subsequently measured at the higher of the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115 Revenue.

## 2.15 Employee Benefits:

### a. Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. 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 last drawn salary and the tenure of the employment.

### b. Defined contribution plans:

#### i. 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 consolidated 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, except in case of one subsidiary where a portion of the contribution is made to approved provident fund trust managed by that subsidiary. The contribution to trust managed by the subsidiary is accounted for as a defined benefit plan as the subsidiary is liable for any shortfall in the fund assets based on the government specified minimum rate of return.

#### ii. Superannuation and ESIC:

Contributions Superannuation fund and employees' state insurance scheme (ESI), which are defined contribution schemes, are charged to the consolidated statement of profit and loss on an accrual basis.

The Group has no further obligations for superannuation fund benefits other than its annual contributions.

### c. Compensated absences:

The Group provides for compensated absences and long term service awards subject to Company's rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is accrued based on the number of days of unavailed leave at each Balance Sheet date and the awards are accrued based on number years of service of an employee. It is measured at the balance sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method.

Actuarial gains and losses are recognised in full in the consolidated 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 absences above certain limits for all of its employees and same is recognised as undiscounted liability at the balance sheet date.

### d. 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 services rendered by employees, are recognised in the consolidated statement of profit and loss during the period when the employee renders the service.

## 2.16 Taxation:

Tax expense comprises of current tax and deferred tax. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted as at the reporting date and applicable for the period. 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 exemptions in accordance with the local tax laws existing in the respective countries.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are recognised in other comprehensive income or directly in equity, respectively.

The current income tax expense includes income taxes payable by the Company and its branches in India and overseas. The current tax payable by the Company in India is Indian income tax payable on worldwide income after taking credit for tax relief available for export operations in Special Economic Zones (SEZs). Current income tax payable by overseas branches of the Company is computed in accordance with the tax laws applicable in the jurisdiction in which the respective branch operates. The proportionate credit for the taxes paid outside India are generally available for set off against the Indian income tax liability of the Company's worldwide income.

Advance taxes and provisions for current income taxes are presented in the consolidated statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit has a legally enforceable right and intends to settle the asset and liability on a net basis.

## Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be recovered or settled.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India. MAT credit is recognized for future economic benefits in the form of adjustment of future income tax liability and is considered as an asset if there is probable evidence that the Company will pay normal income tax.

Deferred tax assets and liabilities are offset when it relates to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax liability (DTL) is not recognised on the accumulated undistributed profits of the subsidiary company in the consolidated financial statements of the company, if it is determined that such accumulated undistributed profits will not be distributed in the foreseeable future. When it is probable that the accumulated undistributed profits will be distributed in the foreseeable future, then DTL on accumulated undistributed profits of the subsidiary company is recognised in the consolidated statement of profit and loss of the Company.

In cases, where the dividend distribution tax (DDT) paid by a subsidiary on distribution of its accumulated undistributed profits/ tax on dividend from a foreign subsidiary is allowed as a set off against the Company's own DDT liability, then the amount of DDT paid by domestic subsidiary/ tax paid on foreign dividend is recognised in the consolidated statement of changes in equity.

The Group recognises interest levied and penalties related to income tax assessments in interest expenses.

## 2.17 Employee Stock Option Plans:

Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortization). The share based compensation expense is determined based on the Group's estimate of equity instruments that will eventually vest.

The expense is recognized in the consolidated statement of profit and loss with a corresponding increase to the 'share option outstanding account', which is a component of equity.

## 2.18 Research and development:

Research costs are recognized as an expense in the consolidated statement of profit and loss in the period they are incurred. Development costs are recognized in the consolidated statement of

profit and loss unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete the development project and use the asset and the costs can be measured reliably.

## 2.19 Earnings per Share:

Basic earnings per share is calculated by dividing the net profit 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 period.

For calculating diluted earnings per share, the net profit 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 dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

## 2.20 Provisions:

A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

## 2.21 Recent Indian Accounting Standards (Ind AS):

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified the following new Accounting Standards ('Ind AS') and amendments to Ind ASs which the Company has not applied as they are effective for annual periods beginning April 1, 2019:

### Ind AS 116 - Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset

and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 16, effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Company is in the process of finalising changes to systems and processes to meet the accounting and reporting requirements of the standard.

With effect from April 01, 2019, the Company will recognise new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortization change for the right-to-use asset, and b) interest accrued on lease liability.

Previously, the Company recognised operating lease expense on a straightline basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

As a lessor, sublease shall be classified an operating lease if the head lease is classified as a short term lease. In all other cases the sublease shall be classified as a finance lease.

On preliminary assessment, the Company does not expect a significant impact to opening retained earnings on adoption of Ind AS 116.

## **Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)**

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12. The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.

The Group does not expect any significant impact of the amendment on its financial statements.

## **Ind AS 109 – Financial Instruments (Prepayment Features with Negative Compensation)**

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Group does not expect any significant impact of the amendment on its financial statements.

## **Ind AS 19 – Employee Benefits (Plan Amendment, Curtailment or Settlement)**

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the remeasurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Group does not expect any significant impact of the amendment on its financial statements.

## **Ind AS 23 – Borrowing Costs**

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Group does not expect any significant impact of the amendment on its financial statements.

## **Ind AS 28 – Long-term Interests in Associates and Joint Ventures**

This amendment is effective for annual reporting period beginning April 1, 2019. The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Group does not currently have any long-term interests in associates and joint ventures and hence does not expect impact of the amendment on its financial statements.

## **Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements**

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Group currently does not have control / joint control of a business that is a joint operation and hence does not expect impact of the amendment on financial statements.

## Note 3 : Property, Plant and Equipment

| Particulars              | Gross Block               |                                              |                           |                           |                                                        |                              | Accumulated Depreciation     |                      |                           |             |                                                         |                              | Net Block           |                      |
|--------------------------|---------------------------|----------------------------------------------|---------------------------|---------------------------|--------------------------------------------------------|------------------------------|------------------------------|----------------------|---------------------------|-------------|---------------------------------------------------------|------------------------------|---------------------|----------------------|
|                          | Cost as at April 01, 2018 | Acquisitions during the year (refer note 36) | Additions during the year | Deletions during the year | Reclassification to Investment Property (refer note 4) | Foreign Currency Translation | Balance as at March 31, 2019 | As at April 01, 2018 | Depreciation for the year | On deletion | Redclassification to Investment Property (Refer note 4) | Foreign Currency Translation | Upto March 31, 2019 | As at March 31, 2019 |
| Freehold Land            | 1,088                     | -                                            | 5                         | -                         | -                                                      | (21)                         | 1,072                        | -                    | -                         | -           | -                                                       | -                            | -                   | 1,072                |
|                          | 1,004                     | -                                            | -                         | 1                         | -                                                      | 85                           | 1,088                        | -                    | -                         | -           | -                                                       | -                            | -                   | 1,088                |
| Buildings                | 24,927                    | -                                            | 125                       | 19                        | -                                                      | (196)                        | 24,837                       | 8,561                | 819                       | 8           | -                                                       | (110)                        | 9,262               | 15,575               |
|                          | 23,839                    | -                                            | 629                       | 45                        | 280                                                    | 784                          | 24,927                       | 7,378                | 808                       | 25          | 17                                                      | 417                          | 8,561               | 16,366               |
| Computers                | 20,043                    | 1                                            | 2,629                     | 1,315                     | -                                                      | (3)                          | 21,355                       | 16,046               | 2,522                     | 1,263       | -                                                       | (30)                         | 17,275              | 4,080                |
|                          | 17,933                    | 23                                           | 2,881                     | 1,086                     | -                                                      | 292                          | 20,043                       | 14,390               | 2,289                     | 875         | -                                                       | 242                          | 16,046              | 3,997                |
| Plant and Equipment      | 25,060                    | 1                                            | 515                       | 235                       | -                                                      | (118)                        | 25,223                       | 21,449               | 1,451                     | 228         | -                                                       | (134)                        | 22,538              | 2,685                |
|                          | 23,650                    | 1                                            | 1,141                     | 672                       | 179                                                    | 1,119                        | 25,060                       | 19,476               | 1,556                     | 573         | 61                                                      | 1,051                        | 21,449              | 3,611                |
| Furniture and Fixtures   | 8,094                     | -                                            | 408                       | 152                       | -                                                      | 1                            | 8,351                        | 6,373                | 663                       | 149         | -                                                       | 8                            | 6,895               | 1,456                |
|                          | 7,679                     | 10                                           | 477                       | 82                        | 66                                                     | 76                           | 8,094                        | 5,736                | 684                       | 71          | 28                                                      | 52                           | 6,373               | 1,721                |
| Vehicles                 | 514                       | -                                            | 45                        | 54                        | -                                                      | 1                            | 506                          | 334                  | 63                        | 51          | -                                                       | 1                            | 347                 | 159                  |
|                          | 548                       | 5                                            | 55                        | 117                       | -                                                      | 23                           | 514                          | 362                  | 63                        | 103         | -                                                       | 12                           | 334                 | 180                  |
| Office Equipments        | 2,245                     | -                                            | 250                       | 199                       | -                                                      | 14                           | 2,310                        | 1,693                | 257                       | 195         | -                                                       | 9                            | 1,764               | 546                  |
|                          | 2,007                     | 0                                            | 279                       | 53                        | 13                                                     | 25                           | 2,245                        | 1,482                | 249                       | 49          | 5                                                       | 16                           | 1,693               | 552                  |
| Leasehold Improvements   | 2,121                     | 1                                            | 95                        | 135                       | -                                                      | 31                           | 2,113                        | 1,765                | 140                       | 134         | -                                                       | 27                           | 1,798               | 315                  |
|                          | 2,117                     | 6                                            | 233                       | 250                       | -                                                      | 15                           | 2,121                        | 1,791                | 193                       | 231         | -                                                       | 12                           | 1,765               | 356                  |
| Taken on Finance Lease : |                           |                                              |                           |                           |                                                        |                              |                              |                      |                           |             |                                                         |                              |                     |                      |
| Computers                | 4,665                     | -                                            | 228                       | 3,888                     | -                                                      | (10)                         | 995                          | 2,847                | 865                       | 2,859       | -                                                       | (8)                          | 845                 | 150                  |
|                          | 3,814                     | -                                            | 777                       | -                         | -                                                      | 74                           | 4,665                        | 1,485                | 1,314                     | -           | -                                                       | 48                           | 2,847               | 1,818                |
| Plant and Equipment      | 349                       | -                                            | -                         | 45                        | -                                                      | (1)                          | 303                          | 279                  | 22                        | 28          | -                                                       | (1)                          | 272                 | 31                   |
|                          | 302                       | -                                            | 33                        | 2                         | -                                                      | 16                           | 349                          | 241                  | 30                        | 1           | -                                                       | 9                            | 279                 | 70                   |
| Furniture and Fixtures   | 30                        | -                                            | -                         | -                         | -                                                      | -                            | 30                           | 18                   | 3                         | -           | -                                                       | -                            | 21                  | 9                    |
|                          | 26                        | -                                            | 0                         | -                         | -                                                      | 4                            | 30                           | 14                   | 2                         | -           | -                                                       | 2                            | 18                  | 12                   |
| Vehicles                 | 271                       | 12                                           | 155                       | 209                       | -                                                      | 11                           | 240                          | 232                  | 55                        | 209         | -                                                       | 11                           | 89                  | 151                  |
|                          | 431                       | -                                            | 15                        | 181                       | -                                                      | 6                            | 271                          | 278                  | 90                        | 141         | -                                                       | 5                            | 232                 | 39                   |
| Total                    | 89,407                    | 15                                           | 4,455                     | 6,251                     | -                                                      | (291)                        | 87,335                       | 59,597               | 6,860                     | 5,124       | -                                                       | (227)                        | 61,106              | 26,229               |
|                          | 83,350                    | 45                                           | 6,520                     | 2,489                     | 538                                                    | 2,519                        | 89,407                       | 52,633               | 7,278                     | 2,069       | 111                                                     | 1,866                        | 59,597              | 29,810               |

## 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 38.6)
- Numbers in Italics pertain to the previous year.
- Plant and Equipment includes electrical installations and equipments.
- Amounts less than ₹ 0.5 are reported as '0'.

₹ in Million

## Note 4 : Investment Property

As at

| Description of Assets                                                       | March 31, 2019 | March 31, 2018 |
|-----------------------------------------------------------------------------|----------------|----------------|
| <b>Investment Properties (I -II) (refer note 43)</b>                        | <b>1,708</b>   | <b>1,906</b>   |
| <b>I. Gross Block</b>                                                       |                |                |
| Opening Balance                                                             | 3,356          | 2,026          |
| Additions                                                                   | 17             | 590            |
| Reclassification from Property, Plant and Equipment (Refer Note. 2.7)       | -              | 538            |
| Effect of foreign currency exchange differences (net)                       | (50)           | 202            |
| Closing Balance                                                             | 3,323          | 3,356          |
| <b>II. Accumulated depreciation</b>                                         |                |                |
| Opening Balance                                                             | 1,450          | 1,015          |
| Reclassification from Property, Plant and Equipment (Refer Note. 2.7)       | -              | 111            |
| Depreciation for the year                                                   | 195            | 211            |
| Effect of foreign currency exchange differences (net)                       | (30)           | 113            |
| Closing Balance                                                             | 1,615          | 1,450          |
| <b>Note 5 : Goodwill</b>                                                    |                |                |
| Opening Balance                                                             | 27,727         | 26,279         |
| Addition/ Acquisition (refer note 36)                                       | 86             | 4,715          |
| Effect of foreign currency exchange differences (net) and other adjustments | 350            | (3,267)        |
| Closing Balance                                                             | 28,163         | 27,727         |

## Note 6 : Other Intangible Assets

| Description of Assets                           | ₹ in Million                               |                         |                              |              |                                             |              |               |
|-------------------------------------------------|--------------------------------------------|-------------------------|------------------------------|--------------|---------------------------------------------|--------------|---------------|
|                                                 | Software (other than internally generated) | Software taken on lease | Intellectual Property Rights | Brand        | Customer relationships/ related intangibles | Others       | Total         |
| <b>I. Gross carrying value</b>                  |                                            |                         |                              |              |                                             |              |               |
| As at April 1, 2017                             | 7,819                                      | 56                      | 247                          | 3,425        | 2,198                                       | 896          | 14,641        |
| Acquisitions (refer note 36B)                   | 5                                          | -                       | 176                          | -            | 2,127                                       | -            | 2,308         |
| Additions during the year                       | 1,200                                      | -                       | 9,220                        | -            | -                                           | -            | 10,420        |
| Disposals / Adjustments                         | (124)                                      | -                       | -                            | -            | -                                           | -            | (124)         |
| Effect of foreign currency exchange differences | 127                                        | -                       | 57                           | 424          | 407                                         | 122          | 1,137         |
| <b>As at March 31, 2018</b>                     | <b>9,027</b>                               | <b>56</b>               | <b>9,700</b>                 | <b>3,849</b> | <b>4,732</b>                                | <b>1,018</b> | <b>28,382</b> |
| Acquisitions during the year (refer note 36A)   | 21                                         | -                       | -                            | -            | 567                                         | -            | 588           |
| Additions during the year                       | 1,290                                      | -                       | 90                           | -            | -                                           | 5            | 1,385         |
| Disposals / Adjustments                         | (318)                                      | -                       | -                            | -            | -                                           | -            | (318)         |
| Effect of foreign currency exchange differences | 17                                         | -                       | (16)                         | (15)         | (1)                                         | (16)         | (31)          |
| <b>Balance as at March 31, 2019</b>             | <b>10,037</b>                              | <b>56</b>               | <b>9,774</b>                 | <b>3,834</b> | <b>5,298</b>                                | <b>1,007</b> | <b>30,006</b> |
| <b>II. Accumulated depreciation</b>             |                                            |                         |                              |              |                                             |              |               |
| Balance as at April 1, 2017                     | 7,088                                      | 14                      | 55                           | 463          | 305                                         | 122          | 8,047         |
| Amortisation expense for the year               | 1,186                                      | 42                      | 542                          | 627          | 772                                         | 192          | 3,361         |
| Disposals / Adjustments                         | (109)                                      | -                       | -                            | -            | -                                           | -            | (109)         |
| Effect of foreign currency exchange differences | 108                                        | -                       | 12                           | 91           | 60                                          | 31           | 302           |
| <b>Balance as at March 31, 2018</b>             | <b>8,273</b>                               | <b>56</b>               | <b>609</b>                   | <b>1,181</b> | <b>1,137</b>                                | <b>345</b>   | <b>11,601</b> |
| Amortisation expense for the year               | 1,320                                      | -                       | 1,189                        | 660          | 865                                         | 204          | 4,238         |
| Disposals / Adjustments                         | (299)                                      | -                       | -                            | -            | -                                           | -            | (299)         |
| Effect of foreign currency exchange differences | 14                                         | -                       | (7)                          | (42)         | (3)                                         | (8)          | (46)          |
| <b>Balance as at March 31, 2019</b>             | <b>9,308</b>                               | <b>56</b>               | <b>1,791</b>                 | <b>1,799</b> | <b>1,999</b>                                | <b>541</b>   | <b>15,494</b> |
| <b>Net Block as at March 31, 2019 (I - II)</b>  | <b>729</b>                                 | <b>(0)</b>              | <b>7,983</b>                 | <b>2,035</b> | <b>3,299</b>                                | <b>466</b>   | <b>14,512</b> |
| <b>Net Block as at March 31, 2018 (I - II)</b>  | <b>754</b>                                 | <b>-</b>                | <b>9,091</b>                 | <b>2,668</b> | <b>3,595</b>                                | <b>673</b>   | <b>16,781</b> |

₹ in Million

| Particulars                                                                                                                         | As at          |                |
|-------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                                                     | March 31, 2019 | March 31, 2018 |
| <b>Note 7 : Investments - Non Current</b>                                                                                           |                |                |
| <b>(A) In Associates</b>                                                                                                            |                |                |
| <b>(a) In Associates - unquoted, at cost</b>                                                                                        |                |                |
| In Equity Shares:                                                                                                                   |                |                |
| 1,225 Ordinary Shares (March 31, 2018 - 1,225) of DZD 1,000 each fully paid up of SARL Djazatech.^                                  | 50             | 50             |
| ^ includes Goodwill of ₹ 71 Million and share of post acquisition profit of ₹ 6 Million (March 31, 2018 ₹ 6 Million)                |                |                |
| Less: Provision for Impairment                                                                                                      | 50             | 50             |
|                                                                                                                                     | -              | -              |
| 4,000 Shares (March 31, 2018 - 4,000) of EUR 1 each fully paid up of Goodmind Srl ^^                                                | 8              | 7              |
| ^^includes share of post acquisition profit of ₹ 2 Million (March 31, 2018 ₹ 1 Million)                                             |                |                |
| 2,400 Shares (March 31, 2018 - 2,400) of EUR 1 each fully paid up of Signature Srl ^^^                                              | 37             | 45             |
| ^^^ share of post acquisition loss of ₹ 5 Million (March 31, 2018 ₹ Nil)                                                            |                |                |
| <b>(b) In Preference Shares:</b>                                                                                                    |                |                |
| 600,000 Series A Preference Shares (March 31, 2018 - 600,000) of USD 0.001 each fully paid up of Avion Networks, Inc. #             | 188            | 188            |
| # includes Goodwill of ₹ 186 Million and share of post acquisition profit ₹ 2 Million (March 31, 2018 ₹ 2 Million)                  |                |                |
| Less: Provision for Impairment                                                                                                      | 188            | 188            |
|                                                                                                                                     | -              | -              |
| 18,518,518 Convertible Preference Shares (March 31, 2018 - 18,518,518) of USD 0.81 each fully paid up of AltioStar Networks Inc. ^^ | 316            | 958            |
| ^^ includes Goodwill of ₹ 946 Million and share of post acquisition loss of ₹ 642 Million (March 31, 2018 ₹ Nil )                   |                |                |
| <b>Total A - Investment accounted using equity method (a+b)</b>                                                                     | <b>361</b>     | <b>1,010</b>   |
| <b>(B) Investments (other than investment accounted using equity method)</b>                                                        |                |                |
| <b>(a) Other Investments</b>                                                                                                        |                |                |
| - <b>Quoted</b>                                                                                                                     |                |                |
| 5,147,058 Equity Shares (March 31, 2018 - 5,147,058) of ₹ 10 each, fully paid up of Dion Global Solutions Limited                   | 21             | 122            |
| 1,352,058 Equity Shares (March 31, 2018 - 1,352,058) of EUR 0.20 each, fully paid up of Midi Plc.                                   | 20             | 20             |
| - In Mutual Funds*                                                                                                                  | 40             | 36             |
| - <b>Unquoted</b>                                                                                                                   |                |                |
| - <b>In Equity Shares:</b>                                                                                                          |                |                |
| 1 Equity Share (March 31, 2018 - 1) of EUR 516 each, fully paid up of Idroenergia Soc. Cons. a.r.l. (refer note (i) below)          | 0              | 0              |
| 1 Equity Share (March 31, 2018 - 1) of EUR 300 each, fully paid up of Volksbank Region Leonberg (refer note (i) below)              | 0              | 0              |
| 25 Equity Shares (March 31, 2018 - 25) of EUR 5.16 each, fully paid up of Unionfidi S.c.r.l.p.A Turin (refer note (i) below)        | 0              | 0              |
| 4,232,622 Ordinary Shares (March 31, 2018 - 4,232,622) of GBP 0.002 each fully paid up of Servista Limited                          | 1              | 1              |

| Particulars                                                                                                                                  | ₹ in Million   |                |
|----------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                                                              | As at          |                |
|                                                                                                                                              | March 31, 2019 | March 31, 2018 |
| <b>Note 7 : Investments - Non Current (Contd.)</b>                                                                                           |                |                |
| - <b>In Preference Shares:</b>                                                                                                               |                |                |
| 1,603,380 E1 Preference Shares (March 31, 2018 - 1,603,380) of GBP 0.002 each fully paid up of Servista Limited                              | 54             | 54             |
| 896,620 E2 Preference Shares (March 31, 2018 - 896,620) of GBP 0.002 each fully paid up of Servista Limited                                  | 30             | 30             |
|                                                                                                                                              | 85             | 85             |
| Less: Provision for Diminution                                                                                                               | 85             | 85             |
|                                                                                                                                              | -              | -              |
| 5,106 Convertible Preference Shares of USD 0.05 each fully paid up of Trade IX Limited                                                       | 120            | -              |
| <b>Sub-total (a)</b>                                                                                                                         | <b>201</b>     | <b>179</b>     |
| <b>(b) In Bonds, Debentures and Trust Securities</b>                                                                                         |                |                |
| - <b>Unquoted</b>                                                                                                                            |                |                |
| Treasury Bonds and Bills *                                                                                                                   | 49             | 32             |
| Investment in TML Odd Lot Trust (refer note (i) below & note 35)                                                                             | 0              | 0              |
| New Democratic Electoral Trust (refer note (i) below)                                                                                        | 0              | 0              |
| National Savings Certificates, VIII Series (refer note (i) below)<br>(Lodged as Security with Government Authorities)                        | 0              | 0              |
| 10,000 Equity Shares (March 31, 2018 -10,000) of ₹ 10 each fully paid of Mahindra Educational Institutions. (refer note 35) (refer note (i)) | 0              | 0              |
| 50,000 Equity Shares (March 31, 2018 - 50,000) of ₹10 each fully paid-up of Tech Mahindra Foundation.(refer note 35)                         | 1              | 1              |
| - <b>Quoted</b>                                                                                                                              |                |                |
| Non Convertible Debentures *                                                                                                                 | 6,908          | 11,236         |
| <b>Sub total -(b)</b>                                                                                                                        | <b>6,958</b>   | <b>11,269</b>  |
| <b>Total B - Investments (other than investment accounted using equity method) (a+b)</b>                                                     | <b>7,159</b>   | <b>11,448</b>  |

**Note :**

i) Amounts less than ₹ 0.5 are reported as '0'.

\* Carried at fair value through statement profit and loss

₹ in Million

| Particulars                                                                            | As at          |                |
|----------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                        | March 31, 2019 | March 31, 2018 |
| <b>Note 8 : Trade Receivables : Non Current</b>                                        |                |                |
| <b>Trade receivables (Unsecured)</b>                                                   |                |                |
| Unsecured, considered good                                                             | 63             | 138            |
| Credit Impaired (Refer Note 46)                                                        | 2,410          | 2,367          |
| Less: Allowance for expected credit loss                                               | 2,410          | 2,367          |
| <b>Total</b>                                                                           | <b>63</b>      | <b>138</b>     |
| <b>Note 9 : Loans : Non Current</b>                                                    |                |                |
| <b>(Unsecured, considered good)</b>                                                    |                |                |
| Loans to related parties (refer note 54)                                               | 43             | 52             |
| <b>Total</b>                                                                           | <b>43</b>      | <b>52</b>      |
| <b>Note 10 : Other Financial Assets : Non Current</b>                                  |                |                |
| <b>(Unsecured, considered good unless otherwise stated)</b>                            |                |                |
| <b>Interest Receivable</b>                                                             |                |                |
| On Bank Deposits                                                                       | 17             | -              |
| On Non Convertible Debentures                                                          | -              | 7              |
|                                                                                        | 17             | 7              |
| <b>Security Deposits</b>                                                               |                |                |
| Unsecured, considered good                                                             | 1,463          | 1,323          |
| Credit Impaired                                                                        | 36             | 33             |
| Less : Allowance for expected credit loss                                              | 36             | 33             |
|                                                                                        | 1,463          | 1,323          |
| <b>Lease Receivable</b>                                                                | 180            | 269            |
| <b>Fixed Deposits / Margin Money Deposits having maturities of more than 12 months</b> | 526            | 115            |
| <b>Foreign currency derivative assets (refer note 52)</b>                              | 2,291          | 346            |
| <b>Others</b>                                                                          | 308            | 408            |
| <b>Total</b>                                                                           | <b>4,785</b>   | <b>2,468</b>   |
| <b>Note 11 : Other Non-Current Assets</b>                                              |                |                |
| <b>(Unsecured)</b>                                                                     |                |                |
| <b>Considered good</b>                                                                 |                |                |
| Capital Advances                                                                       | 199            | 234            |
| Prepaid Expenses (including rentals for leasehold land)                                | 3,015          | 3,018          |
| Deferred Contract Costs                                                                | 666            | 1,055          |
| Balance with Government Authorities                                                    | 1,651          | 1,713          |
| Other Advances                                                                         | 6              | 2              |
| <b>Subtotal</b>                                                                        | <b>5,537</b>   | <b>6,022</b>   |
| <b>Considered doubtful</b>                                                             |                |                |
| Other advances                                                                         | 387            | 390            |
| Less: Allowance for amounts considered doubtful                                        | 387            | 390            |
|                                                                                        | -              | -              |
| <b>Total</b>                                                                           | <b>5,537</b>   | <b>6,022</b>   |

| Particulars                                                                                               | ₹ in Million   |                |
|-----------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                           | As at          |                |
|                                                                                                           | March 31, 2019 | March 31, 2018 |
| <b>Note 12 : Inventories</b>                                                                              |                |                |
| Hardware, Software and Product Components                                                                 | 752            | 659            |
| <b>Total</b>                                                                                              | <b>752</b>     | <b>659</b>     |
| <b>Note 13 : Investments : Current</b>                                                                    |                |                |
| <b>Investments</b>                                                                                        |                |                |
| In Mutual Funds (carried at fair value through profit and loss)                                           | 39,024         | 26,768         |
| In Non-convertible debentures, commercial paper and Bonds (carried at fair value through profit and loss) | 15,875         | 3,681          |
| Term Deposit with Financial Institutions (carried at amortized cost)                                      | 11,000         | 5,500          |
| <b>Total</b>                                                                                              | <b>65,899</b>  | <b>35,949</b>  |
| <b>Note 14 : Trade Receivables : Current</b>                                                              |                |                |
| <b>Trade receivables (Unsecured)</b>                                                                      |                |                |
| Considered good                                                                                           | 69,586         | 64,979         |
| Credit Impaired                                                                                           | 6,917          | 5,136          |
|                                                                                                           | 76,503         | 70,115         |
| Less: Allowance for expected credit loss                                                                  | 6,917          | 5,136          |
| <b>Total</b>                                                                                              | <b>69,586</b>  | <b>64,979</b>  |
| <b>Note 15 : Cash and Cash Equivalents</b>                                                                |                |                |
| Cash in hand                                                                                              | 7              | 9              |
| Funds in Transit                                                                                          | 238            | 537            |
| Balances with banks                                                                                       |                |                |
| In Current Account                                                                                        | 10,603         | 16,445         |
| In Deposit Account (original maturities less than three months)                                           | 9,579          | 2,670          |
| <b>Total</b>                                                                                              | <b>20,427</b>  | <b>19,661</b>  |
| <b>Note 16 : Other Balances with Banks</b>                                                                |                |                |
| In Deposit Accounts (refer note below)                                                                    | 453            | 10,320         |
| Earmarked Balances with Banks                                                                             |                |                |
| Unclaimed Dividend                                                                                        | 177            | 100            |
| Balances held as Margin Money/Security towards obtaining Bank Guarantees                                  | 283            | 320            |
| Balance held under Escrow Account                                                                         | 141            | 42             |
| Balance in Deposit Account pursuant to the buyback of equity shares (Refer No.19(vi))                     | 2,106          | -              |
| <b>Total</b>                                                                                              | <b>3,160</b>   | <b>10,782</b>  |

**Note : -**

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) granted stay of the said Order and all proceedings thereto vide its Order dated December 11, 2012. The Hon'ble High Court of Andhra Pradesh, vide its Order dated December 31, 2018 set aside the provisional attachment Order of ED and directed Banks to release the Fixed deposits to the Company.

₹ in Million

| Particulars                                                                                                              | As at          |                |
|--------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                                          | March 31, 2019 | March 31, 2018 |
| <b>Note 17 : Other Financial Assets : Current</b>                                                                        |                |                |
| <b>(Unsecured, considered good unless otherwise stated)</b>                                                              |                |                |
| <b>Unbilled Revenue (refer note 54)</b>                                                                                  | <b>24,613</b>  | <b>24,722</b>  |
| <b>Interest Receivable</b>                                                                                               |                |                |
| On Bank Deposits                                                                                                         | 47             | 60             |
| On Term Deposit with Financial Institutions                                                                              | 484            | 259            |
| On Non Convertible Debentures                                                                                            | 382            | 10             |
|                                                                                                                          | <b>913</b>     | <b>329</b>     |
| <b>Lease Receivable</b>                                                                                                  | <b>346</b>     | <b>259</b>     |
| <b>Advances to Related Parties</b>                                                                                       | <b>-</b>       | <b>10</b>      |
| <b>Contractually Reimbursable Expenses (refer note 54)</b>                                                               |                |                |
| Considered Good                                                                                                          | 399            | 277            |
| Credit Impaired                                                                                                          | 113            | 50             |
| Less: Allowance for expected credit loss                                                                                 | 113            | 50             |
|                                                                                                                          | <b>399</b>     | <b>277</b>     |
| <b>Foreign currency derivative assets (refer note 52)</b>                                                                | <b>2,544</b>   | <b>3,522</b>   |
| <b>Security Deposits</b>                                                                                                 | <b>102</b>     | <b>211</b>     |
| Less : Allowance for expected credit loss                                                                                | -              | 1              |
|                                                                                                                          | <b>102</b>     | <b>210</b>     |
| <b>Financial guarantee</b>                                                                                               | <b>48</b>      | <b>49</b>      |
| <b>Others Receivables</b>                                                                                                | <b>99</b>      | <b>143</b>     |
| <b>Total</b>                                                                                                             | <b>29,064</b>  | <b>29,521</b>  |
| <b>Note 18 : Other Current Assets</b>                                                                                    |                |                |
| <b>(Unsecured)</b>                                                                                                       |                |                |
| <b>Considered good</b>                                                                                                   |                |                |
| Advance to employees                                                                                                     | 967            | 753            |
| Prepaid Expenses (including rentals for leasehold land)                                                                  | 4,049          | 4,208          |
| Contract Assets (Refer Note 51)                                                                                          | 6,303          | -              |
| Deferred Contract Costs                                                                                                  | 814            | 828            |
| Balance with Government Authorities                                                                                      | 6,263          | 7,031          |
| Others Advances (refer note below)                                                                                       | 8,374          | 6,699          |
| <b>Subtotal</b>                                                                                                          | <b>26,770</b>  | <b>19,519</b>  |
| <b>Considered doubtful</b>                                                                                               |                |                |
| Considered doubtful advances                                                                                             | 347            | 309            |
| Less: Allowance for amounts considered doubtful                                                                          | 347            | 309            |
|                                                                                                                          | <b>-</b>       | <b>-</b>       |
| <b>Total</b>                                                                                                             | <b>26,770</b>  | <b>19,519</b>  |
| <b>Note: Others advances include :</b>                                                                                   |                |                |
| - Amount deposited and held in escrow account towards Aberdeen UK settlement consideration and interest. (refer note 42) | <b>4,704</b>   | <b>3,628</b>   |
| - Amount deposited and held in escrow account towards Aberdeen US claims settlement consideration. (refer note 42)       | <b>840</b>     | <b>648</b>     |
| - Amount deposited and held in initial escrow account towards class action settlement consideration.                     | <b>265</b>     | <b>265</b>     |

| Particulars                                                                     | March 31, 2019     |              | March 31, 2018     |              |
|---------------------------------------------------------------------------------|--------------------|--------------|--------------------|--------------|
|                                                                                 | Number             | ₹ in Million | Number             | ₹ in Million |
| <b>Note 19 : Equity Share Capital</b>                                           |                    |              |                    |              |
| <b>Authorised</b>                                                               |                    |              |                    |              |
| Equity shares of ₹ 5/- each.                                                    | 1,586,300,000      | 7,932        | 1,586,200,000      | 7,931        |
| Issued, Subscribed and Paid up                                                  | 983,362,470        | 4,917        | 979,733,808        | 4,899        |
| Less: Equity Shares of ₹ 5 each fully paid up issued to ESOP/ TML Benefit Trust | 96,093,840         | 480          | 96,415,180         | 482          |
| <b>Adjusted: Issued, Subscribed and Paid up Share Capital</b>                   | <b>887,268,630</b> | <b>4,437</b> | <b>883,318,628</b> | <b>4,417</b> |
| <b>Reconciliation of number of Equity Shares and amount outstanding</b>         |                    |              |                    |              |
| Shares outstanding at the beginning of the year                                 | 979,733,808        | 4,899        | 974,096,080        | 4,871        |
| Shares issued during the year                                                   | 3,628,662          | 18           | 5,637,728          | 28           |
| <b>Total</b>                                                                    | <b>983,362,470</b> | <b>4,917</b> | <b>979,733,808</b> | <b>4,899</b> |
| Less : Shares held by ESOP Trust but not allotted to employees                  | 93,840             | 0            | 415,180            | 2            |
| Less : Shares held by TML Benefit Trust                                         | 96,000,000         | 480          | 96,000,000         | 480          |
| <b>Adjusted: Issued, Subscribed and Paid up Share Capital</b>                   | <b>887,268,630</b> | <b>4,437</b> | <b>883,318,628</b> | <b>4,417</b> |

**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         | As at<br>March 31, 2019 |               | As at<br>March 31, 2018 |               |
|-----------------------------|-------------------------|---------------|-------------------------|---------------|
|                             | No. of Shares held      | % of Holding# | No. of Shares held      | % of Holding# |
| Mahindra & Mahindra Limited | 256,248,704             | 26            | 256,248,704             | 26            |

# This percentage of holding is presented with reference to Issued, Subscribed and Paid up.

- i) 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) were allotted as Bonus shares during the year ended March 31, 2015.
- ii) Each Equity Share entitles the holder to one vote and carries an equal right to dividend.
- iii) Refer note 55 for details relating to stock options.
- iv) The shareholders at the Annual General Meeting held on July 31, 2018 approved dividend of ₹ 14 per equity share for year ended March 31, 2018 which was subsequently paid during the quarter ended September 30, 2018. The amount was recognized as distributions to equity shareholders, the total appropriation was ₹ 16,411 Million including corporate dividend tax of ₹ 2,682 Million.
- v) On May 21, 2019 the board of directors of the Company have proposed a final dividend of ₹14 per share in respect of year ended March 31, 2019 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in cash outflow of ₹ 16,597 Million inclusive of dividend distribution tax of ₹ 2,830 Million.
- vi) The Board of Directors of the Company at its meeting held on February 21, 2019 approved a proposal to buyback upto 20,585,000 equity shares of the Company for an aggregate amount not exceeding ₹ 19,556 Million being 2.09% of the total paid up equity share capital at ₹ 950 per equity share. Letter of Offer was issued to all eligible shareholders holding shares as on March 6, 2019. The period for tendering of shares for buyback was from March 25, 2019 to April 5, 2019. The intimation regarding acceptance or non-acceptance of tendered equity shares to the stock exchange was made on April 12, 2019, the bids were settled and payment was made to shareholders on April 15, 2019. The unaccepted shares were returned to eligible shareholders on April 16, 2019. Pursuant to the issuance of Letter of Offer, the Company has recorded a payable of ₹ 17,879 Million as at March 31, 2019 as contractual financial liability to external shareholders. (refer note 26)
- vii) The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The Company is not subject to any externally imposed capital requirements. The Company's risk management committee reviews the capital structure of the Company on an ongoing basis. As part of this review, the committee considers the cost of capital and the risks associated with capital.

₹ in Million

| Particulars                                                                   | As at          |                |
|-------------------------------------------------------------------------------|----------------|----------------|
|                                                                               | March 31, 2019 | March 31, 2018 |
| <b>Note 20 : Other Equity</b>                                                 |                |                |
| <b>Share Application Money Pending Allotment</b>                              |                |                |
| Opening Balance                                                               | 23             | 19             |
| Add: Received during the year                                                 | 366            | 252            |
| Less: Shares allotted                                                         | 361            | 247            |
| Less: Refunded during the year                                                | 8              | 1              |
| Closing Balance                                                               | 20             | 23             |
| <b>Capital Reserve</b>                                                        | 60             | 60             |
| <b>Capital Reserve on Consolidation</b>                                       | 137            | 137            |
| <b>Securities Premium Account</b>                                             |                |                |
| Opening Balance                                                               | 23,789         | 21,392         |
| Add: Transfer on allotment of Equity Shares                                   | 343            | 219            |
| Transfer from share option outstanding account on exercise of stock options   | 1,262          | 2,168          |
| Others                                                                        | 2              | 10             |
| Less: Contractual Obligation for Buyback                                      | 17,785         | -              |
| Closing Balance                                                               | 7,611          | 23,789         |
| <b>Share Options Outstanding Account (refer note 55)</b>                      |                |                |
| Opening Balance                                                               | 4,124          | 5,453          |
| Add: Amortized amount of Share Based Payments to Employees (net) for the year | 1,263          | 890            |
| Less: Transfer to Securities Premium account on exercise of stock option      | 1,262          | 2,168          |
| Less: Transfer to/from retained earnings on account of options lapsed         | 62             | 51             |
| Closing Balance                                                               | 4,063          | 4,124          |
| <b>Statutory Reserve</b>                                                      |                |                |
| Opening Balance                                                               | 3              | 3              |
| Add: Transfer from retained earning                                           | 2              | -              |
| Closing Balance                                                               | 5              | 3              |
| <b>General Reserve</b>                                                        | 397            | 397            |
| <b>Special Economic Zone Reinvestment Reserve</b>                             |                |                |
| Opening Balance                                                               | 42             | -              |
| Add: Transfer from Special Economic Zone re-investment reserve                | 8,160          | 42             |
| Less: Transfer to Special Economic Zone re-investment reserve                 | 2,232          | -              |
| Closing Balance                                                               | 5,970          | 42             |

| Particulars                                                                 | ₹ in Million   |                |
|-----------------------------------------------------------------------------|----------------|----------------|
|                                                                             | As at          |                |
|                                                                             | March 31, 2019 | March 31, 2018 |
| <b>Note 20 : Other Equity (Contd.)</b>                                      |                |                |
| <b>Retained Earnings</b>                                                    |                |                |
| Opening balance                                                             | 153,918        | 128,436        |
| Add: Profit for the year                                                    | 42,976         | 37,998         |
| Other Comprehensive Income (net)                                            | (35)           | 92             |
| Transfer to/from retained earnings on account of options lapsed             | 62             | 51             |
| Transfer from Special Economic Zone re-investment reserve on utilization    | 2,232          | -              |
| Transfer to Non Controlling Interest                                        | 201            | -              |
| Less: Equity Dividend (including Tax on Dividend)                           | 14,907         | 9,438          |
| Contractual obligation for Buyback (Refer No.19(vi))                        | 94             | -              |
| Transfer to Statutory Reserve                                               | 2              | -              |
| Transfer to Special Economic Zone re-investment reserve                     | 8,160          | 42             |
| On Account of transaction with Non Controlling Interest (refer note 36B(i)) | -              | 3,177          |
| Closing Balance                                                             | 176,191        | 153,918        |
| <b>Effective portion of Cash Flow Hedges (refer note 52)</b>                |                |                |
| Opening Balance                                                             | 797            | 4,901          |
| Add: Movement during the year                                               | 1,732          | 4,104          |
| Closing Balance                                                             | 2,529          | 797            |
| <b>Equity Instruments through Other Comprehensive Income</b>                |                |                |
| Opening Balance                                                             | (240)          | (4)            |
| Add: Movement during the year (net)                                         | (101)          | (236)          |
| Closing Balance                                                             | (341)          | (240)          |
| <b>Foreign Currency Translation Reserve</b>                                 |                |                |
| Opening Balance                                                             | 960            | (811)          |
| Add: Movement during the year                                               | 804            | 1,769          |
| Closing Balance                                                             | 1,764          | 960            |
| <b>Total</b>                                                                | <b>198,407</b> | <b>184,011</b> |

₹ in Million

| Particulars                                                                                                                                                                                                                                                                | As at          |                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                                                                                                                                                                                            | March 31, 2019 | March 31, 2018 |
| <b>Note 21 : Borrowings : Non Current</b>                                                                                                                                                                                                                                  |                |                |
| <b>Measured at amortised cost</b>                                                                                                                                                                                                                                          |                |                |
| <b>Secured Borrowings:</b>                                                                                                                                                                                                                                                 |                |                |
| (i) Finance Lease Obligations (Refer Note 50)<br>'(Lease obligations are secured by the assets financed through the finance lease arrangements and are repayable in monthly / quarterly installments over a period of 1-5 years and carry a finance charge.)<br>From Banks | 242            | 1,707          |
| (ii) Loans<br>Secured by charge over receivables and vehicles and are repayable in quarterly installments over a period of 2-6 years. Interest rate ranges from 1% to 10%.                                                                                                 | 11             | 3,935          |
|                                                                                                                                                                                                                                                                            | <b>253</b>     | <b>5,642</b>   |
| <b>Unsecured Borrowings</b>                                                                                                                                                                                                                                                |                |                |
| From Banks                                                                                                                                                                                                                                                                 | 1,833          | 1,983          |
| Loans are repayable in 1-4 years. Interest rate ranges from 0.25% to 2%.                                                                                                                                                                                                   |                |                |
| From Others                                                                                                                                                                                                                                                                | -              | 86             |
| Loans are repayable in 1-6 years. Interest rate ranges from 8% to 11%.                                                                                                                                                                                                     |                |                |
|                                                                                                                                                                                                                                                                            | <b>1,833</b>   | <b>2,069</b>   |
| <b>Total</b>                                                                                                                                                                                                                                                               | <b>2,086</b>   | <b>7,711</b>   |
| <b>Note 22 : Other Financial Liabilities : Non Current</b>                                                                                                                                                                                                                 |                |                |
| Contractual Obligation (refer note 36)                                                                                                                                                                                                                                     | 1,747          | 1,787          |
| Foreign currency Derivatives liabilities (refer note 52)                                                                                                                                                                                                                   | 101            | 654            |
| Creditors for capital supplies/services                                                                                                                                                                                                                                    | 1,148          | 3,276          |
| Security Deposits                                                                                                                                                                                                                                                          | 13             | 12             |
| <b>Total</b>                                                                                                                                                                                                                                                               | <b>3,009</b>   | <b>5,729</b>   |
| <b>Note 23 : Provisions : Non Current</b>                                                                                                                                                                                                                                  |                |                |
| <b>Provision for employee benefits</b>                                                                                                                                                                                                                                     |                |                |
| Gratuity (Refer note 48)                                                                                                                                                                                                                                                   | 3,342          | 2,977          |
| Compensated absences and Long service awards                                                                                                                                                                                                                               | 2,370          | 2,572          |
| Other Provisions                                                                                                                                                                                                                                                           | 89             | 2              |
| <b>Total</b>                                                                                                                                                                                                                                                               | <b>5,801</b>   | <b>5,551</b>   |
| <b>Note 24 : Other Non Current Liabilities</b>                                                                                                                                                                                                                             |                |                |
| Unearned Revenue                                                                                                                                                                                                                                                           | 325            | 333            |
| <b>Total</b>                                                                                                                                                                                                                                                               | <b>325</b>     | <b>333</b>     |
| <b>Note 25 : Borrowings : Current</b>                                                                                                                                                                                                                                      |                |                |
| <b>Secured Borrowings</b>                                                                                                                                                                                                                                                  |                |                |
| From Banks<br>(Secured by Bank Deposits, Trade Receivables and Inventory).<br>Interest rate ranges from 2% to 11.5%.                                                                                                                                                       | 3,879          | 1,675          |
|                                                                                                                                                                                                                                                                            | <b>3,879</b>   | <b>1,675</b>   |
| <b>Unsecured Borrowings</b>                                                                                                                                                                                                                                                |                |                |
| From Banks/ Financial Institutions<br>Interest rate ranges from 1% to 10%.                                                                                                                                                                                                 | 8,082          | 7,874          |
|                                                                                                                                                                                                                                                                            | <b>8,082</b>   | <b>7,874</b>   |
| <b>Total</b>                                                                                                                                                                                                                                                               | <b>11,961</b>  | <b>9,549</b>   |

| Particulars                                                                      | ₹ in Million   |                |
|----------------------------------------------------------------------------------|----------------|----------------|
|                                                                                  | As at          |                |
|                                                                                  | March 31, 2019 | March 31, 2018 |
| <b>Note 26: Other Financial Liabilities : Current</b>                            |                |                |
| Current maturities of Finance Lease Obligations (refer note 21)                  | 299            | 1,331          |
| Current maturities of other long-term borrowings (Secured) (refer note 21)       | 24             | 37             |
| Current maturities of long-term borrowings (Unsecured) (refer note 21)           | 5,585          | 5,338          |
| Foreign currency Derivative Liabilities (refer note 52)                          | 531            | 1,363          |
| Creditors for capital supplies/services                                          | 3,145          | 3,068          |
| Contractual Obligation for Buyback (Refer note.19 (vi))                          | 17,879         | -              |
| Interest payable on borrowings                                                   | 46             | 68             |
| Unclaimed dividends                                                              | 178            | 100            |
| Other Contractual Obligation (refer note 36)                                     | 607            | 1,402          |
| Accrued Salaries and Benefits                                                    | 5,873          | 6,062          |
| Discounts payable to Customers                                                   | 559            | 1,294          |
| <b>Total</b>                                                                     | <b>34,726</b>  | <b>20,063</b>  |
| <b>Note 27 : Other Current Liabilities</b>                                       |                |                |
| Advances received from customers                                                 | 3,962          | 3,336          |
| Unearned Revenue                                                                 | 2,168          | 2,419          |
| Statutory Dues                                                                   | 4,396          | 4,139          |
| Others (refer note below)                                                        | 7,079          | 5,884          |
| <b>Total</b>                                                                     | <b>17,605</b>  | <b>15,778</b>  |
| <b>Note: Others mainly include :</b>                                             |                |                |
| Aberdeen UK Claims settlement consideration (including interest) (refer note 42) | 4,704          | 3,628          |
| Aberdeen US claim settlement consideration (refer note 42)                       | 840            | 648            |
| Class action suit settlement consideration                                       | 265            | 265            |
| <b>Note 28 : Provisions : Current</b>                                            |                |                |
| <b>Provision for employee benefits</b>                                           |                |                |
| Gratuity (Refer note 48)                                                         | 409            | 348            |
| Compensated absences and Long service awards                                     | 2,021          | 1,980          |
| <b>Other Provision</b>                                                           |                |                |
| Provision for Claims (refer note 39)                                             | 167            | 115            |
| Provision for Contingencies (refer note 40)                                      | 1,097          | 882            |
| Others                                                                           | 258            | 705            |
| <b>Total</b>                                                                     | <b>3,952</b>   | <b>4,030</b>   |

₹ in Million

| Particulars                                                                        | For the Year Ended |                |
|------------------------------------------------------------------------------------|--------------------|----------------|
|                                                                                    | March 31, 2019     | March 31, 2018 |
| <b>Note 29 : Other Income</b>                                                      |                    |                |
| Interest Income                                                                    | 2,077              | 1,455          |
| Dividend Income on Investments carried at fair value through profit and loss       | 243                | 583            |
| Profit on sale of Investments carried at fair value through profit and loss        | 871                | 499            |
| Gain on investments carried at fair value through profit and loss                  | 1,490              | 794            |
| Profit on sale of subsidiary                                                       | -                  | 87             |
| Net gain on disposal of Property, Plant and Equipment and Intangible Assets        | 154                | 76             |
| Net gain on disposal of Immovable property (Assets held for sale)                  | -                  | 1,488          |
| Rental income                                                                      | 292                | 269            |
| Foreign Exchange Gain / Loss (net)                                                 | 121                | 7,750          |
| Miscellaneous Income                                                               | 94                 | 1,164          |
| <b>Total</b>                                                                       | <b>5,342</b>       | <b>14,165</b>  |
| <b>Note 30 : Employee Benefit Expenses</b>                                         |                    |                |
| Salaries and wages                                                                 | 160,786            | 152,950        |
| Contribution to provident and other funds                                          | 10,398             | 9,754          |
| Gratuity                                                                           | 860                | 980            |
| Share Based Payments to Employees (refer note 55)                                  | 1,263              | 887            |
| Staff welfare expenses                                                             | 1,772              | 1,669          |
| <b>Total</b>                                                                       | <b>175,079</b>     | <b>166,240</b> |
| <b>Note 31 : Finance Costs</b>                                                     |                    |                |
| Interest expenses                                                                  | 1,117              | 896            |
| Others                                                                             | 215                | 728            |
| <b>Total</b>                                                                       | <b>1,332</b>       | <b>1,624</b>   |
| <b>Note 32 : Depreciation and Amortisation Expense</b>                             |                    |                |
| Depreciation / Amortisation on Property, Plant and Equipment and Intangible assets | 11,097             | 10,639         |
| Depreciation on Investment Property                                                | 195                | 211            |
| <b>Total</b>                                                                       | <b>11,292</b>      | <b>10,850</b>  |

| Particulars                                                              | ₹ in Million       |                |
|--------------------------------------------------------------------------|--------------------|----------------|
|                                                                          | For the year ended |                |
|                                                                          | March 31, 2019     | March 31, 2018 |
| <b>Note 33 : Other Expenses</b>                                          |                    |                |
| Power and Fuel Expenses                                                  | 1,992              | 1,947          |
| Rent                                                                     | 3,785              | 3,562          |
| Rates and Taxes                                                          | 850                | 713            |
| Communication Expenses                                                   | 3,658              | 3,166          |
| Travelling Expenses                                                      | 11,553             | 10,200         |
| Recruitment Expenses                                                     | 909                | 658            |
| Training                                                                 | 226                | 262            |
| Hire Charges                                                             | 2,165              | 2,095          |
| Legal and Other Professional fees                                        | 4,391              | 3,049          |
| Repair and Maintenance Expenses                                          |                    |                |
| Buildings (including leased premises)                                    | 405                | 400            |
| Machinery and Computers                                                  | 2,215              | 2,472          |
| Others                                                                   | 949                | 802            |
|                                                                          | 3,569              | 3,674          |
| Insurance Charges                                                        | 4,517              | 4,097          |
| Software, Hardware and Project Specific Expenses                         | 18,966             | 15,142         |
| Claims and Warranties (Net)                                              | -                  | 371            |
| Advertisement, Promotion & Selling Expenses                              | 1,590              | 1,486          |
| General Office Expenses                                                  | 1,712              | 1,647          |
| Allowance for Doubtful Receivables and Bad Debts written off (net)       |                    |                |
| Provided during the period                                               | 1,749              | 419            |
| Bad Debts written off                                                    | 1,626              | 1,033          |
|                                                                          | 3,375              | 1,452          |
| Allowance for Doubtful Advances, Deposits and Advances written off (net) |                    |                |
| Provided during the period                                               | 39                 | (271)          |
| Advances written off                                                     | 38                 | 437            |
|                                                                          | 77                 | 166            |
| Donation                                                                 | 18                 | 9              |
| Corporate Social Responsibility Expenditure                              | 912                | 774            |
| Provision for Impairment of Investment                                   | -                  | 185            |
| Miscellaneous Expenses                                                   | 1,211              | 858            |
| <b>Total</b>                                                             | <b>65,476</b>      | <b>55,513</b>  |

**Note : Corporate Social Responsibility Expenditure**

- a. Gross amount required to be spent by the holding Company and Indian subsidiaries during the year is ₹ 897 Million (previous year ₹ 774 million) (calculated at 2% of the average net profits of the holding Company and Indian subsidiaries during the three immediately preceding financial years)
- b. Amount spent during the year on:

| Particulars                                                   | In cash      | Yet to be paid in cash | Total        |
|---------------------------------------------------------------|--------------|------------------------|--------------|
| Construction/acquisition of any asset*                        | -<br>(-)     | -<br>(-)               | -<br>(-)     |
| On purposes other than Construction/acquisition of any asset* | 912<br>(774) | -<br>0                 | 912<br>(774) |

\* Numbers in brackets pertain to previous year.

## 34 Particulars of Consolidation

The financial statements present the consolidated accounts of the Group, which consists of financial statements of TechM and its subsidiaries / associates

### i. Subsidiaries:

| Name of Company                                                                                                                       | Country of Incorporation | Extent of Holding |                |
|---------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-------------------|----------------|
|                                                                                                                                       |                          | As at             |                |
|                                                                                                                                       |                          | March 31, 2019    | March 31, 2018 |
| Tech Mahindra GmbH and its following subsidiaries:                                                                                    | Germany                  | 100%              | 100%           |
| • TechM IT-Services GmbH                                                                                                              | Austria                  | 100%              | 100%           |
| • Tech Mahindra Norway AS                                                                                                             | Norway                   | 100%              | 100%           |
| Tech Mahindra (Singapore) Pte. Limited                                                                                                | Singapore                | 100%              | 100%           |
| Tech Mahindra (Thailand) Limited                                                                                                      | Thailand                 | 100%              | 100%           |
| PT Tech Mahindra Indonesia                                                                                                            | Indonesia                | 100%              | 100%           |
| Tech Mahindra (Beijing) IT Services Limited                                                                                           | China                    | 100%              | 100%           |
| Tech Mahindra (Nigeria) Limited                                                                                                       | Nigeria                  | 100%              | 100%           |
| Tech Mahindra (Bahrain) Limited S.P.C.                                                                                                | Bahrain                  | 100%              | 100%           |
| Tech Mahindra Business Services Limited                                                                                               | India                    | 100%              | 100%           |
| Comviva Technologies Limited and its following 100% subsidiaries                                                                      | India                    | 100%              | 100%           |
| • Comviva Technologies Madagascar Sarlu                                                                                               | Madagascar               | 100%              | 100%           |
| • Comviva Technologies Inc. (closed w.e.f March 27, 2019)                                                                             | USA                      | -                 | 100%           |
| • YABX Technologies (Netherlands) B.V. (Incorporated on June 4, 2018)                                                                 | Netherlands              | 100%              | -              |
| • Comviva Technologies Singapore Pte. Limited.                                                                                        | Singapore                | 100%              | 100%           |
| • Comviva Technologies FZ-LLC                                                                                                         | UAE                      | 100%              | 100%           |
| • Comviva Technologies B.V. and its following subsidiaries                                                                            | Netherlands              | 100%              | 100%           |
| • Comviva Technologies Mexico S.DE R.L.DE C.V.                                                                                        | Mexico                   | 100%              | 100%           |
| • Comviva Technologies (Argentina) S A [(Formerly known as ATS Advanced Technology Solutions S A) name change w.e.f. October 4, 2018] | Argentina.               | 100%              | 100%           |
| • ATS Advanced Technology Solutions do Brasil Industria Comercio, Importacao e Exportacao Ltda                                        | Brazil                   | 100%              | 100%           |
| • Comviva Technologies Colombia S.A.S                                                                                                 | Columbia                 | 100%              | 100%           |
| • Comviva Technologies (Australia) Pty Ltd.                                                                                           | Australia                | 100%              | 100%           |
| • Emagine International Pty Ltd                                                                                                       | Australia                | 100%              | 100%           |
| • Terra Payment Services South Africa (Pty) Limited                                                                                   | South Africa             | 100%              | 100%           |
| • Terra Payment Services (Netherlands) BV and its following subsidiaries                                                              | Netherlands              | 100%              | 100%           |
| • Mobex Money Transfer Services Limited                                                                                               | Kenya                    | 100%              | 100%           |
| • Terrapay Services (UK) Limited (Dissolved effective March 26, 2019)                                                                 | UK                       | -                 | 100%           |
| • Terra Payment Services (Tanzania) Limited                                                                                           | Tanzania                 | 100%              | 100%           |
| • Terra Payment Services (Uganda) Limited                                                                                             | Uganda                   | 100%              | 100%           |
| • Terra Payment Services S.A.R.L.                                                                                                     | Senegal                  | 100%              | 100%           |
| • Terra Payment Services S.A.R.L.                                                                                                     | Congo (DRC)              | 100%              | 100%           |
| • Terra Payment Services (UK) Limited                                                                                                 | UK                       | 100%              | 100%           |
| • Terra Payment Services Botswana (Proprietary) Limited                                                                               | Botswana                 | 100%              | 100%           |
| • Terra Payment Services (Mauritius)                                                                                                  | Mauritius                | 100%              | 100%           |
| • Terra Payment Services S.A.R.L                                                                                                      | Congo B                  | 100%              | 100%           |

| Name of Company                                                                                                                       | Country of Incorporation | Extent of Holding |                |
|---------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-------------------|----------------|
|                                                                                                                                       |                          | As at             |                |
|                                                                                                                                       |                          | March 31, 2019    | March 31, 2018 |
| • Terra Payment Services India Private Limited. (Incorporated on September 1, 2017)                                                   | India                    | 100%              | 100%           |
| • Comviva Technologies Nigeria Limited and its following 75% subsidiary                                                               | Nigeria                  | 100%              | 100%           |
| • Hedonmark {Management Services} Limited                                                                                             | Nigeria                  | 74.99%            | 74.38%         |
| Tech Mahindra Holdco Pty Limited and its subsidiary (incorporated on August 15, 2018)                                                 | South Africa             | 96%               | -              |
| • Tech Mahindra South Africa (Pty) Limited                                                                                            | South Africa             | 48.96%            | 51%            |
| Tech Mahindra (Shanghai) Co. Limited                                                                                                  | China                    | 100%              | 100%           |
| Tech Mahindra (Nanjing) Co. Ltd.                                                                                                      | China                    | 100%              | 100%           |
| Tech Mahindra Technologies Inc.                                                                                                       | USA                      | 100%              | 100%           |
| Citisoft Plc. and its following 100% subsidiary                                                                                       | UK                       | 100%              | 100%           |
| • Citisoft Inc.                                                                                                                       | USA                      | 100%              | 100%           |
| Satyam Venture Engineering Services Private Limited and its following 100% subsidiary                                                 | India                    | 50%               | 50%            |
| • Satyam Venture Engineering Services (Shanghai) Co. Limited.                                                                         | China                    | 50%               | 50%            |
| • Satven GmbH                                                                                                                         | Germany                  | 50%               | 50%            |
| Tech Mahindra De. Mexico S.DE.R.L.DE.C.V                                                                                              | Mexico                   | 100%              | 100%           |
| vCustomer Philippines Inc and its following 100% subsidiary                                                                           | Philippines              | 100%              | 100%           |
| • vCustomer Philippines (Cebu), Inc.                                                                                                  | Philippines              | 100%              | 100%           |
| Tech Mahindra Servicos De Informatica LTDA                                                                                            | Brazil                   | 100%              | 100%           |
| Tech Mahindra ICT Services (Malaysia) SDN. BHD.                                                                                       | Malaysia                 | 100%              | 100%           |
| FixStream Networks Inc. and its 100% subsidiary                                                                                       | USA                      | 73.38%            | 73.50%         |
| • Fixstream India Private Limited (Formerly known as Quexa System Private Limited)                                                    | India                    | 73.38%            | 73.50%         |
| Mahindra Technologies Services Inc.                                                                                                   | USA                      | 100%              | 100%           |
| Mahindra Engineering Services (Europe) Limited and its 100% subsidiary                                                                | UK                       | 100%              | 100%           |
| • K-Vision Co., Ltd (acquired effective March 14 ,2019)                                                                               | Japan                    | 100%              | -              |
| • Inter-Informatics, spol. s r.o. and its following subsidiaries (aquired effective September. 5, 2018)                               | Czech Republic           | 100%              | -              |
| • Inter-Informatics SRL                                                                                                               | Czech Republic           | 100%              | -              |
| • TC Inter-Informatics a.s.                                                                                                           | Czech Republic           | 100%              | -              |
| • Inter-Informatics s.r.o (Dissolved w.e.f February 13, 2019)                                                                         | Czech Republic           | -                 | -              |
| Tech Mahindra (Americas) Inc. and its following subsidiaries:                                                                         | USA                      | 100%              | 100%           |
| • Tech Talenta Inc.                                                                                                                   | USA                      | 100%              | 100%           |
| • Tech Mahindra IPR Inc. (Merged with Tech Mahindra (Americas) Inc. w.e.f. September 1, 2018)                                         | USA                      | -                 | 100%           |
| • Lightbridge Communications Corporation and its following subsidiaries                                                               | USA                      | 100%              | 100%           |
| • Tech Mahindra Network Design Services, Inc. (merged with Tech Mahindra Network Services International, Inc. w.e.f February 27,2019) | USA                      | 100%              | 100%           |
| • Tech Mahindra Network Services International, Inc.                                                                                  | USA                      | 100%              | 100%           |
| • Tech Mahindra Network Services Belgium (formerly known as LCC Services Belgium NV)                                                  | Belgium                  | 100%              | 100%           |

| Name of Company                                                                                                | Country of Incorporation | Extent of Holding |                |
|----------------------------------------------------------------------------------------------------------------|--------------------------|-------------------|----------------|
|                                                                                                                |                          | As at             |                |
|                                                                                                                |                          | March 31, 2019    | March 31, 2018 |
| • LCC Middle East Holdings, Inc. (Merged with Lightbridge Communications Corporation w.e.f. November 15, 2018) | USA                      | -                 | 100%           |
| • LCC Middle East FZ-LLC                                                                                       | UAE                      | 100%              | 100%           |
| • LCC Engineering & Deployment Services Misr, LTD                                                              | Egypt                    | 100%              | 100%           |
| • LCC France SARL                                                                                              | France                   | 100%              | 100%           |
| • LCC Telecom GmbH                                                                                             | Germany                  | 100%              | 100%           |
| • LCC Design and Deployment Services Limited.                                                                  | Greece                   | 100%              | 100%           |
| • LCC India Private Limited (Liquidated w.e.f. August 9, 2018)                                                 | India                    | -                 | 100%           |
| • LCC Italia S.R.L.                                                                                            | Italy                    | 100%              | 100%           |
| • LCC Saudi Telecom Services, Limited.                                                                         | Saudi Arabia             | 100%              | 100%           |
| • LCC Saudi Arabia Telecom Services Co. Ltd/Jordan WLL                                                         | Saudi Arabia             | 100%              | -              |
| • LCC Central America de Mexico, SA de CV                                                                      | Mexico                   | 100%              | 100%           |
| • LCC Wireless Communications Services Marox, SARLAU                                                           | Morocco                  | 100%              | 100%           |
| • LCC Europe BV                                                                                                | Netherlands              | 100%              | 100%           |
| • LCC Installation & Services Professionals BV (Merged with LCC Network Services B V w.e.f. November 6, 2018)  | Netherlands              | -                 | 100%           |
| • LCC Installation & Services Projects BV (Merged with LCC Network Services B V w.e.f. November 6, 2018)       | Netherlands              | -                 | 100%           |
| • LCC Network Services, B.V.                                                                                   | Netherlands              | 100%              | 100%           |
| • LCC North Central Europe, B.V.                                                                               | Netherlands              | 100%              | 100%           |
| • LCC Projects BV (Merged with LCC Network Services BV w.e.f. November 6, 2018)                                | Netherlands              | -                 | 100%           |
| • LCC Professionals, B.V. (Merged with LCC Network Services B V w.e.f. November 6, 2018)                       | Netherlands              | -                 | 100%           |
| • LCC Telecom Infra Professionals BV (Merged with LCC Network Services B V w.e.f. November 6, 2018)            | Netherlands              | -                 | 100%           |
| • LCC Telecom Infra Projects B V (Merged with LCC Network Services B V w.e.f. November 6, 2018)                | Netherlands              | -                 | 100%           |
| • LCC Muscat LLC                                                                                               | Oman                     | 100%              | 100%           |
| • LCC Networks Poland Sp.z.o.o                                                                                 | Poland                   | 100%              | 100%           |
| • Light Bridge Communications Corporation LLC                                                                  | Qatar                    | 95%               | 95%            |
| • LCC Wireless Communications Espana, SA                                                                       | Spain                    | 100%              | 100%           |
| • LCC Telekomunikasyon Servis Limited                                                                          | Turkey                   | 100%              | 100%           |
| • LCC Deployment Services UK, Ltd.                                                                             | UK                       | 100%              | 100%           |
| • LCC United Kingdom, Ltd.                                                                                     | UK                       | 100%              | 100%           |
| • Tech Mahindra S.A.                                                                                           | Argentina                | 100%              | 100%           |
| • Tech Mahindra Bolivia S.R.L.                                                                                 | Bolivia                  | 100%              | 100%           |
| • Leadcom Integrated Solutions Tchad SARL                                                                      | Chad                     | 100%              | 100%           |
| • Tech Mahindra Colombia S.A.S.                                                                                | Colombia                 | 100%              | 100%           |
| • Leadcom DRC SPRL                                                                                             | Congo                    | 100%              | 100%           |
| • Tech Mahindra Ecuador S. A.                                                                                  | Ecuador                  | 100%              | 100%           |
| • Leadcom Integrated Solutions (SPV) SAS                                                                       | France                   | 100%              | 100%           |

| Name of Company                                                                                                                                                                                   | Country of Incorporation | Extent of Holding |                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-------------------|----------------|
|                                                                                                                                                                                                   |                          | As at             |                |
|                                                                                                                                                                                                   |                          | March 31, 2019    | March 31, 2018 |
| <ul style="list-style-type: none"> <li>Leadcom Gabon S.A.</li> </ul>                                                                                                                              | Gabon                    | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>STA Gabon</li> </ul>                                                                                                                                       | Gabon                    | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>Leadcom Ghana Limited</li> </ul>                                                                                                                           | Ghana                    | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>Tech Mahindra Guatemala S.A.</li> </ul>                                                                                                                    | Guatemala                | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>Leadcom Integrated Solutions (L.I.S.) Ltd</li> </ul>                                                                                                       | Israel                   | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>Societe de Telecommunications Africaine (STA) Abidjan</li> </ul>                                                                                           | Ivory Coast              | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>Leadcom Integrated Solutions Kenya Limited</li> </ul>                                                                                                      | Kenya                    | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>Leadcom Integrated Solutions Myanmar Co., Ltd.</li> </ul>                                                                                                  | Myanmar                  | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>LeadCom Integrated Solutions International B.V.</li> </ul>                                                                                                 | Netherlands              | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>Tech Mahindra Panama S.A.</li> </ul>                                                                                                                       | Panama                   | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>Tech Mahindra de Peru S.A.C.</li> </ul>                                                                                                                    | Peru                     | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>Leadcom Integrated Solutions Rwanda Ltd</li> </ul>                                                                                                         | Rwanda                   | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>STA Dakar</li> </ul>                                                                                                                                       | Senegal                  | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>Leadcom Integrated Solutions Tanzania Ltd</li> </ul>                                                                                                       | Tanzania                 | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>Leadcom Uganda Limited</li> </ul>                                                                                                                          | Uganda                   | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>Coniber S.A.</li> </ul>                                                                                                                                    | Uruguay                  | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>Tech Mahindra Costa Rica Sociedad Anonima</li> </ul>                                                                                                       | Costa Rica               | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>LCC do Brasil Ltda.</li> </ul>                                                                                                                             | Brazil                   | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>LCC Diseno y Servicios de RED Peru S.R.L (Dissolved on November.16, 2018)</li> </ul>                                                                       | Peru                     | -                 | 100%           |
| <ul style="list-style-type: none"> <li>Tech Mahindra Healthcare Systems Holdings LLC and its following subsidiaries(Incorporated on April 6, 2017)</li> </ul>                                     | Delaware                 | 88.81%            | 84.74%         |
| <ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>Tech Mahindra Healthcare LLC (Incorporated on April 6, 2017)</li> </ul> </li> </ul>                                | Delaware                 | 88.81%            | 84.74%         |
| <ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>The CJS Solutions Group, LLC(Acquired on May 4, 2017) and its 100% subsidiaries</li> </ul> </li> </ul>             | Florida                  | 88.81%            | 84.74%         |
| <ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>HCI Group UK Limited</li> </ul> </li> </ul>                                                                        | UK                       | 88.81%            | 84.74%         |
| <ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>Healthcare Clinical Informatics Limited</li> </ul> </li> </ul>                                                     | UK                       | 88.81%            | 84.74%         |
| <ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>High Resolution Consulting Limited (application for liquidation filed on December 21, 2018)</li> </ul> </li> </ul> | UK                       | 88.81%            | 84.74%         |
| <ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>High Resolution Resourcing Limited (application for liquidation filed on December 21, 2018)</li> </ul> </li> </ul> | UK                       | 88.81%            | 84.74%         |
| <ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>HCI Group DMCC</li> </ul> </li> </ul>                                                                              | Dubai                    | 88.81%            | 84.74%         |
| <ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>CJS Solutions Group Canada ULC</li> </ul> </li> </ul>                                                              | Canada                   | 88.81%            | 84.74%         |
| <ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>HCI Group Australia Pty Ltd</li> </ul> </li> </ul>                                                                 | Australia                | 88.81%            | 84.74%         |
| Sofgen Holdings Limited and its following subsidiaries:                                                                                                                                           | Cyprus                   | 100%              | 100%           |
| <ul style="list-style-type: none"> <li>Sofgen Americas Inc. (Merged with Tech Mahindra (Americas) Inc. w.e.f. June 11, 2018)</li> </ul>                                                           | USA                      | -                 | 100%           |
| <ul style="list-style-type: none"> <li>Sofgen Services Limited (Dissolved w.e.f. October 25, 2018)</li> </ul>                                                                                     | Cyprus                   | -                 | 100%           |
| <ul style="list-style-type: none"> <li>Sofgen Limited (Dissolved w.e.f. May 16, 2018)</li> </ul>                                                                                                  | Cyprus                   | -                 | 100%           |
| <ul style="list-style-type: none"> <li>Sofgen (UK) Limited (Merged with Tech Mahindra India Limited. w.e.f. April 1, 2018)</li> </ul>                                                             | UK                       | -                 | 100%           |
| <ul style="list-style-type: none"> <li>Sofgen Ireland Limited (Liquidated w.e.f. July 31, 2018)</li> </ul>                                                                                        | Ireland                  | -                 | 100%           |
| <ul style="list-style-type: none"> <li>Sofgen India Private Limited (Merged with Tech Mahindra India Limited. w.e.f. August 17, 2018)</li> </ul>                                                  | India                    | -                 | 100%           |
| <ul style="list-style-type: none"> <li>Sofgen SA</li> </ul>                                                                                                                                       | Switzerland              | 100%              | 100%           |

| Name of Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Country of Incorporation                                                  | Extent of Holding                                                         |                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                           | As at                                                                     |                                                                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                           | March 31, 2019                                                            | March 31, 2018                                                            |
| <ul style="list-style-type: none"> <li>Sofgen Consulting AG</li> <li>Sofgen Africa Limited</li> <li>Sofgen West Africa Limited (Liquidated w.e.f. August 17, 2018)</li> <li>Sofgen SDN. BHD.</li> <li>Sofgen Services Pte. Ltd.</li> </ul>                                                                                                                                                                                                                                                                                                                                                             | Switzerland<br>Kenya<br>Ghana<br><br>Malaysia<br>Singapore                | 100%<br>100%<br>-<br><br>100%<br>100%                                     | 100%<br>100%<br>100%<br><br>100%<br>100%                                  |
| Tech Mahindra DRC SARLU                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Congo DRC                                                                 | 100%                                                                      | 100%                                                                      |
| NTH Dimension Ltd (100% subsidiary w.e.f. November 13, 2018)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | UK                                                                        | 100%                                                                      | 86.50%                                                                    |
| Tech Mahindra Chile SpA (Incorporated on December 17, 2018)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Chile                                                                     | 100%                                                                      | -                                                                         |
| Tech Mahindra Arabia Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Saudi Arabia                                                              | 51%                                                                       | 51%                                                                       |
| Tech Mahindra Netherlands B.V.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Netherlands                                                               | 100%                                                                      | 100%                                                                      |
| Tech Mahindra Growth Factories Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | India                                                                     | 100%                                                                      | 100%                                                                      |
| Tech Mahindra France SAS (liquidated on May 22, 2018)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | France                                                                    | -                                                                         | 100%                                                                      |
| Tech Mahindra Sweden AB                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Sweden                                                                    | 100%                                                                      | 100%                                                                      |
| Tech Mahindra LLC (Incorporated on June 14, 2018)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | USA                                                                       | 100%                                                                      | -                                                                         |
| Tech Mahindra Vietnam Company Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Vietnam                                                                   | 100%                                                                      | 100%                                                                      |
| Tech Mahindra Fintech Holdings Limited and its following subsidiaries:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | UK                                                                        | 100%                                                                      | 100%                                                                      |
| <ul style="list-style-type: none"> <li>Target Topco Limited and its following subsidiaries:</li> <li>Target TG Investment Limited and its following subsidiaries:</li> <li>Target Group Limited and its following subsidiaries:               <ul style="list-style-type: none"> <li>Elderbridge Limited</li> <li>Target Servicing limited</li> <li>Target Financial System Limited</li> <li>Harlosh Limited and its following subsidiary</li> <li>Harlosh NZ Limited</li> </ul> </li> </ul>                                                                                                           | UK<br>UK<br>UK<br>UK<br>UK<br>UK<br>UK<br>NZ                              | 100%<br>100%<br>100%<br>100%<br>100%<br>100%<br>100%<br>100%              | 100%<br>100%<br>100%<br>100%<br>100%<br>100%<br>100%<br>100%              |
| The Bio Agency Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | UK                                                                        | 100%                                                                      | 100%                                                                      |
| PF Holdings B.V. and its following subsidiaries                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Netherlands                                                               | 60%                                                                       | 60%                                                                       |
| <ul style="list-style-type: none"> <li>Pininfarina S.p.A. and its following subsidiaries:               <ul style="list-style-type: none"> <li>Pininfarina Extra S.r.l.(merged with Pininfarina S.p.A. effective January 1,2019)</li> <li>Pininfarina of America Corp.</li> <li>Pininfarina Deutschland Holding Gmbh and its subsidiary</li> <li>Pininfarina Deutschland Gmbh</li> <li>Pininfarina Shanghai Co. Ltd. (Formerly known as Pininfarina Automotive Engineering (Shanghai) Co., Limited) Name changed w.e.f. June 15, 2018.)</li> <li>Pininfarina Engineering S.r.l.</li> </ul> </li> </ul> | Italy<br>Italy<br><br>USA<br>Germany<br><br>Germany<br>China<br><br>Italy | 45.71%<br>-<br><br>45.71%<br>45.71%<br><br>45.71%<br>45.71%<br><br>45.71% | 45.71%<br>45.71%<br><br>45.71%<br>45.71%<br><br>45.71%<br>45.71%<br><br>- |

ii. **Associates:**

| Name of Company                                        | Country of Incorporation | Extent of Holding As at |                |
|--------------------------------------------------------|--------------------------|-------------------------|----------------|
|                                                        |                          | March 31, 2019          | March 31, 2018 |
| Avion Networks, Inc.                                   | USA                      | 30%                     | 30%            |
| SARL Djazatech                                         | Algeria                  | 49%                     | 49%            |
| EURL LCC UK Algerie                                    | Algeria                  | 49%                     | 49%            |
| IQS Information Solutions WLL (till November 26, 2018) | Qatar                    | -                       | 20%            |
| Goodmind S.r.l.                                        | Italy                    | 20%                     | 20%            |
| Signature S.r.l.                                       | Italy                    | 24%                     | 24%            |
| AltioStar Networks, Inc.                               | USA                      | 22.50%                  | 22.50%         |

35. **Following entities have not been considered for consolidation:**

The Group while considering the nature and insignificant variability of its return has concluded that it does not 'control' these foundations/trusts.

- Tech Mahindra Foundation (Section 8 company)
- Mahindra Educational Institutions (Section 8 Company)
- Mahindra Satyam Foundation Trust (Trust)
- TML Odd Lot Trust (Trust)

36. **Business Combinations:**A. **Details of acquisitions during the year ended March 31, 2019**

- i. During the year ended March 31, 2019, the Company has completed 3 business combinations (which both individually and in aggregate are not material) for a total consideration of ₹ 834 million. These transactions include (a) an engineering services company with presence in Czech Republic and Romania, (b) a Company primarily engaged in providing network services for mobile communication carriers in Japan, and (c) acquisition of certain tangible and intangible assets, assembled workforce and a multi-year service agreement, which qualify as a business combination.

The pro-forma effects of these acquisitions on the Group's results are not material. The following table presents the allocation of purchase price -

| Particulars                                        | Allocation of purchase price<br>₹ Million |
|----------------------------------------------------|-------------------------------------------|
| Fair value of net assets as on date of acquisition | 181                                       |
| Customer Relationship                              | 567                                       |
| Goodwill #                                         | 86                                        |
| Total Purchase Consideration                       | 834                                       |

# Goodwill comprises of acquired workforce and expected synergies arising from the acquisition

**Note:** The pro-forma effects of these acquisitions on the Group's results are not material

- ii. The Company has entered into an agreement to acquire 100% stake in Dynacommerce Holdings B.V. vide Share Purchase Agreement dated January 31, 2019 with purchase consideration of EUR 0.48 Million (₹ 37 Million).

## B. Details of acquisitions during the previous year ended March 31, 2018.

| Particulars                                               | CJS Solutions Group, LLC<br>(refer note i below) |            | Emagine holding PTY<br>(refer note ii below) |            |
|-----------------------------------------------------------|--------------------------------------------------|------------|----------------------------------------------|------------|
|                                                           | USD Million                                      | ₹ Million  | AUD Million                                  | ₹ Million  |
| Property, plant and equipment                             | 0.58                                             | 38         | 0.13                                         | 7          |
| Intangible Assets                                         | 0.08                                             | 5          | -                                            | -          |
| Deferred Tax Assets                                       | -                                                | -          | 0.43                                         | 22         |
| Non-current assets                                        | 2.49                                             | 160        | 0.03                                         | 2          |
| Current Assets                                            | 33.40                                            | 2,143      | 2.84                                         | 143        |
| Non-Current liabilities                                   | (2.48)                                           | (159)      | (0.34)                                       | (17)       |
| Deferred Tax Liabilities                                  |                                                  |            | (1.43)                                       | (73)       |
| Current Liabilities                                       | (28.64)                                          | (1,836)    | (1.80)                                       | (91)       |
| <b>Fair value of net assets as on date of acquisition</b> | <b>5.43</b>                                      | <b>351</b> | <b>(0.15)</b>                                | <b>(7)</b> |
| Intellectual Property Right                               | -                                                | -          | 3.48                                         | 176        |
| Customer Relationship                                     | 32.60                                            | 2,092      | 0.70                                         | 35         |
| Goodwill #                                                | 66.13                                            | 4,242      | 5.50                                         | 279        |
| Purchase Consideration                                    | 104.16*                                          | 6,685      | 9.53                                         | 483        |

\* Excludes consideration allocated to deferred employee compensation of USD 7.5 Million (₹ 489 Million) recognized in statement of profit and loss account on proportionate basis over the service period.

# Goodwill comprises of acquired workforce and expected synergies arising from the acquisition.

**Note:** The pro-forma effects of these acquisitions on the Group's results are not material.

- i. The Company on May 4, 2017, through its wholly owned subsidiary Tech Mahindra (Americas) Inc. acquired 84.7% stake in CJS Solutions Group, LLC (CJS) for an initial consideration of USD 89.5 Million (₹ 5,742 Million). Further the subsidiary of the Company has acquired call and a written put options on the 15.3% Non-Controlling Interest to be exercised over three-year period ending December 31, 2020, based on variable pricing formula determined in the share purchase agreement with an overall cap of USD 130.5 Million. During the year as per the agreement with minority stakeholders, Company has acquired additional 4.07% stake in CJS Solutions Group, LLC (CJS) for USD 7.4 Million (₹ 510 Million)

Estimated fair value of financial liability towards consideration payable for acquisition of balance stake of 11.23% from minority shareholders as at March 31, 2019 amounts to USD 17.9 Million (₹ 1,238 Million).

- ii. On August 31, 2017, Comviva Technologies B.V. through its 100% subsidiary Comviva Technologies (Australia) Pty. Ltd, has acquired 100% stake of Emagine International Holdings Pty. Ltd. and its subsidiary Emagine International Pty. Ltd., as per share purchase agreement entered dated August 31, 2017, for a consideration of AUD 9.52 Million (₹ 468 Million).

## 37 Disclosure as required under Ind AS 112:

- i. Non- controlling interest reported in the consolidated financial statements, based on the shareholding as stated in note 35 (i) comprises of entities which are not individually material to the Group. Therefore, disclosures as per Ind AS 112 are not given in the consolidated financial statements.
- ii. The associates forming part of the Group are not material to the Group and hence disclosure under Ind AS 112 is not given.

## 38 Commitments and Contingencies

### 38.1 Capital Commitments

The estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for as at March 31, 2019 is ₹ 1,351 Million (March 31, 2018: ₹ 1,193 Million).

**38.2 Purchase commitments in respect of investments**

During the year ended March 31, 2016, the Company had entered into a subscription agreement for a Limited Partnership interest with a USA based fund namely Northgate FinTech Innovations Partners, L.P (Northgate) for an investment upto USD 40 Million (₹ 2,766 Million) as a limited partner in Northgate. On September 26, 2016, the Partnership made a capital call of USD 1.04 Million. There is an ongoing arbitration between Northgate and the Company pertaining to the Company's capital commitment. Management believes that this matter will be resolved in the Company's favour during the arbitration proceedings.

**38.3 Contingent Liabilities**

- i. Bank Guarantees outstanding as at March 31, 2019: ₹ 4,270 Million (March 31, 2018: ₹ 5,455 Million).
- ii. During the year ended March 31, 2019, the Company has given letters of support of USD 79 Million: ₹ 5,463 Million (March 31, 2018: USD 75 Million, ₹ 4,855 Million) to banks for loans availed by step down subsidiaries of the Company.

**38.4 Contingent Liabilities in respect of Income Taxes/ Service Tax/Value Added Tax/Customs and International tax****38.4.1 Contingent Liabilities in respect of Income Taxes/ Service Tax/Value Added Tax/Customs and International tax to the extend not provided for**

₹ in Million

| Contingent Liabilities to the extend not provided for          | As at          |                |
|----------------------------------------------------------------|----------------|----------------|
|                                                                | March 31, 2019 | March 31, 2018 |
| - Matters relating to Income Tax                               | 30,798         | 31,947         |
| - Matters relating to Service Tax                              | 18,323         | 18,227         |
| - Matters relating to VAT/CST/Entry Tax/Custom Duty/Stamp Duty | 286            | 287            |
| - Matters relating to International Tax                        | 1,535          | 1,075          |
| - Other Matter                                                 | -              | 61             |

**Details of major cases in respect of Income Taxes/ Service Tax/Value Added Tax/Customs and International tax matters**

₹ in Million

| Nature of dues | Pertaining to  | Period                 | Matters Included                                                                                                                                | As at          |                |
|----------------|----------------|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                |                |                        |                                                                                                                                                 | March 31, 2019 | March 31, 2018 |
| Income-tax     | TechM          | 2002-2003 to 2017-2018 | Adjustments on account of various expenses disallowed by taxation authority and interest u/s 234 a,b,c                                          | 3,802          | 3,889          |
| Income-tax     | Erstwhile MSat | 2002-2003 to 2007-2008 | Adjustment to exemption under section 10A, various adjustments to total income and correct quantification of income. (refer footnote (i) below) | 4,024          | 4,024          |
| Income-tax     | Erstwhile MSat | 2001-2002              | Transfer Pricing adjustment and various adjustments to the total income (refer footnote (ii) below)                                             | 7,948          | 7,948          |
| Income-tax     | Erstwhile MSat | 2006-2007              | Transfer Pricing adjustment and various adjustments to the total income (refer footnote (ii) below)                                             | 9,637          | 9,637          |
| Income-tax     | TMBSL          | 2007-2008 to 2012-2013 | Income tax order on account of<br>1. Transfer Pricing Adjustment<br>2. Disallowance of deduction under section 10 A                             | 1,504          | 2,080          |

| Nature of dues                 | Pertaining to  | Period                      | Matters Included                                                                                                                                                                                                                                                                                                                                 | As at          |                |
|--------------------------------|----------------|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                |                |                             |                                                                                                                                                                                                                                                                                                                                                  | March 31, 2019 | March 31, 2018 |
| Income-tax                     | SVES           | 2003-2004 to 2010-2011      | Deductibility of expenditure, transfer pricing matters and exemptions u/s 10A                                                                                                                                                                                                                                                                    | 145            | 115            |
| Service Tax                    | TechM          | May 2008 to July 2013       | Onsite services rendered by overseas branches considered as import of service                                                                                                                                                                                                                                                                    | 12,753         | 12,753         |
| Service Tax                    | TechM          | July 2012 to September 2014 | 1. Onsite services provided by overseas subsidiaries/branches are not considered as export of service<br>2. Disallowance of Cenvat credit for service tax paid under reverse charge mechanism related to overseas branches                                                                                                                       | 3,196          | 3,196          |
| Service Tax                    | CTL            | 2004 to 2008                | 1) Taxability of service provided by CTL as business support Service and Supply and development of Content service<br>2) Non-payment of service tax on reverse charge on Import of Services<br>3) Nonpayment of service tax on maintenance service of software<br>4) Availment of Cenvat Credit on invoices addressed to non-registered premises | 407            | 407            |
| Andra Pradesh VAT              | Erstwhile MSat | 2002-2003 to 2010-2011      | Software development services considered as sale of goods                                                                                                                                                                                                                                                                                        | 231            | 231            |
| International Tax - Tanzania.  | TechM          | 2013 & 2014                 | Dispute on account of withholding taxes/ VAT/ Corporate tax                                                                                                                                                                                                                                                                                      | 86             | 774            |
| International Tax - New Jersey | Tech M         | July 2005 to September 2009 | Dispute on corporate business tax, payroll tax and Sales and Use Tax (S&U Tax)                                                                                                                                                                                                                                                                   | 948            | -              |

## Abbreviations:

TechM

Tech Mahindra Limited

Erstwhile MSat

Satyam Computer Services Limited

## 38.4.2 Footnotes to the Schedule

### 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 BG has been extended upto October 14, 2019.

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. Erstwhile Satyam filed a writ petition in the Hon'ble High Court of Judicature at Hyderabad that has granted a stay on the provisional attachment order.

**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 ₹ 9,637 Million for the financial years 2001-2002 and 2006-2007, respectively, proposing adjustments to the total income, including adjustments on account of Transfer Pricing. 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 2001-2002, 2002-2003, 2006-2007, 2007-2008 and 2008-2009 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.

**38.5 Other Claims on the Company not acknowledged as debts**

- Claims against erstwhile Satyam not acknowledged as debts: ₹ 1,411 Million (March 31, 2018 ₹ 1,389 Million).
- Claims made on the Company not acknowledged as debts: ₹ 263 Million (March 31, 2018 ₹ 113 Million).
- The Company has received an order passed under section 7A of Employees Provident Fund & Miscellaneous Provisions Act, 1952 for the period March 2013 to April 2014 from Employees Provident Fund Organization (EPFO) claiming provident fund contribution amounting to ₹ 2,448 million for employees deputed to non-SSA (Countries with which India do not have Social Security Agreement) countries. The Company has assessed that it has legitimate grounds for appeal, and has contested the order by filing an appeal which is pending before Central Government Industrial Tribunal. The Company has also submitted a bank guarantee of ₹ 500 million towards this order.

The Company has also received a notice based on inquiry under section 7A for the period May 2014 to March 2016 indicating a claim of ₹ 5,668 Million on (a) employees deputed to non – SSA countries and (b) certain allowances paid to employees. Further based on recent Supreme Court Judgement, the Company has reassessed the components to be included in basic salary for the purpose of contribution towards Provident Fund and based on legal advice believes that there would be no additional liability on the Company.

- Others ₹ 407 Million (March 31, 2018 ₹ 407 Million).
- Claim against the Company for transfer of land in SEZ at Nagpur considered by Maharashtra Airport Development Company Limited (MADC) as 'non-formal transfer' as per its Transfer Policy and claiming the transfer fee of ₹ 152 Million.

**38.6 Delay in Conveyance of Immovable Properties**

Pursuant to the Scheme of Amalgamation and Arrangement ('the Scheme') sanctioned by the Hon'ble High Courts of Andhra Pradesh and Bombay, 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) (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'). 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. The Company has initiated the name change formalities.

## 39. Provision for claims

The details of provision for claims are as follows:

₹ in Million

| Particulars                    | As at          |                |
|--------------------------------|----------------|----------------|
|                                | March 31, 2019 | March 31, 2018 |
| Opening balance                | 115            | 319            |
| Provision made during the year | 102            | 398            |
| Reversals during the year      | (25)           | (26)           |
| Utilisation during the year    | (25)           | (576)          |
| <b>Closing balance</b>         | <b>167</b>     | <b>115</b>     |

## 40. 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 movement in the said provisions is summarized below:

₹ In Million

| Particulars                    | As at          |                |
|--------------------------------|----------------|----------------|
|                                | March 31, 2019 | March 31, 2018 |
| Opening Balance                | 882            | 929            |
| Provision made during the year | 215            | 17             |
| Reversals during the year      | -              | (19)           |
| Utilisation during the year    | -              | (45)           |
| <b>Closing balance</b>         | <b>1,097</b>   | <b>882</b>     |

## 41 A. 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 violations of Companies Act, 1956, which were compounded.

Further, ED issued show-cause notices for certain non-compliances of provisions of the Foreign Exchange Management Act, 1999 ('FEMA') and the Foreign Exchange Management (Realisation, Repatriation and Surrender of Foreign Exchange) Regulations, 2000 by the erstwhile Satyam. These pertained to

- alleged non-repatriation of American Depository Receipts ('ADR') proceeds aggregating to USD 39.2 Million; and
- non-realisation and repatriation of export proceeds to the extent of foreign exchange equivalent to ₹ 506 Million for invoices raised during the period from July 1997 to December 31, 2002.

These have been responded to by the erstwhile Satyam/the Company, the Company has not received any further communication in this regard and with the passage of time, the Company does not expect any further proceedings 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, were 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.

**B. Proceedings in relation to 'Alleged Advances':**

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 and August 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 was 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), of which one petition has been converted into suit and balance 36 petitions are at various stages of pauperism/suit admission.

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 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 Judicature at Hyderabad quashed the said Provisional attachment Order and directed Banks to release the Fixed deposits to the Company vide its Order dated December 31, 2018. Accordingly, these deposits have been released by the Banks.

Criminal prosecution was initiated by the ED against SCSL, since merged with Tech Mahindra Limited (Company) under Section 3 of The Prevention of Money-Laundering Act, 2002 for alleged money laundering along with 212 accused persons. Upon an application challenging the prosecution against the Company, the Hon'ble High Court of Andhra Pradesh quashed the proceedings by its Order dated December 22, 2014. The appeal preferred by the ED challenging the order of quashing the prosecution before the Division Bench of the Hon'ble High Court was dismissed by an order dated March 30, 2017 and confirmed the order of quashing. A Special Leave Petition was filed by ED before the Hon'ble Supreme Court of India. By an order dated December 8, 2017, the Hon'ble Supreme Court dismissed the SLP filed by the ED and affirmed the order of the Single Judge quashing the prosecution against the Company.

In view of the aforesaid developments and based on an independent external 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, the Company has accounted and disclosed the amount of ₹ 12,304 Million as 'Suspense Account (net)'.

#### **42 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, (together referred to as 'Aberdeen') the erstwhile Satyam had 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.

In the meanwhile, Commissioner of Income Tax Mumbai has filed two writ petitions before the Hon'ble High Court of Bombay, seeking to set aside the orders of Authority for Advance Ruling dated February 15, 2016, which ruled that no withholding tax is applicable for remittance of Settlement Amount. The above writ petitions have been disposed off by the Prothonotary authority of non-removal of office objections.

Considering the disposal of writs filed by the Commissioner of Income Tax Mumbai and no subsequent action being taken by the Income tax department to restore such writs / file fresh writ petitions before the Hon'ble High Court of Bombay. The Company is in discussions with Aberdeen trusts to obtain letters of indemnity from the claimants, indemnifying the Company in regard to future actions by Indian Income tax department. Post receipt of such letters, the Company seeks to remit the Settlement amounts to Aberdeen trusts.

#### **43 Details of the investment property and its fair value**

The Group has obtained the fair valuation of its investment property as at March 31, 2019 from a Government registered independent valuer who holds recognised and relevant professional qualification and has experience in the location and category of the investment property being valued.

The fair values of investment properties are given below:

| Description          | ₹ in Million    |                 |
|----------------------|-----------------|-----------------|
|                      | As at           |                 |
|                      | March 31, 2019* | March 31, 2018* |
| Land                 | 1,211           | 1,116           |
| Building             | 1,144           | 1,179           |
| Plant & Machinery    | 535             | 603             |
| Furniture & Fixtures | 92              | 106             |
| Office Equipment     | 2               | 3               |
| <b>Total</b>         | <b>2,985</b>    | <b>3007</b>     |

\*Includes effect of foreign currency rate fluctuation.

#### **44 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 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 of 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 their appointment at its Board meeting held on June 26, 2008. The erstwhile Satyam was legally advised that SVES became its subsidiary 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 Hon'ble 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 the interests 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 Hon'ble High Court (SVES Appeal).

The Hon'ble 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 Hon'ble High Court as an interim measure ordered status quo with regard to transfer of shares. 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 Hon'ble High Court Order of status-quo on the transfer of shares. The Company has also filed a Special Leave Petition ('SLP') before the Supreme Court of India challenging the judgment of the Hon'ble 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 Petitions are pending before the Supreme Court. The Hon'ble Bench of Supreme Court, in view of the difference of opinion by an order dated November 1, 2017 has directed the registry to place the SLP's before the Chief Justice of India for appropriate further course of action.

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 VGE and the Company.

## **45 Satyam Venture Engineering Services Private Limited (SVES)**

### **45.1 Accounting for sales commission**

During the financial year 2011-2012, the Board of SVES reassessed the need to accrue sales commission considering that no services were rendered by Venture Global LLC during the period from FY 2005-2006 to FY 2011-2012. Accordingly, the Board of SVES decided to write back sales commission amounting to ₹ 359 Million pertaining to the years from FY 2005-2006 to FY 2010-2011 and to not accrue for sales commission for FY 2011-2012 amounting to ₹ 170 Million. However, pending the final disposal of legal proceedings in relation to disputes between Tech Mahindra Ltd and Venture Global LLC, the Board decided to account for a contingency provision for the sales commission amounting to ₹ 529 Million covering the period from FY 2005-2006 to FY 2011-2012. Considering the Order of the Honorable High Court of Andhra Pradesh dated August 23, 2013 directing all parties to maintain status quo, the Board based on a legal opinion decided not to reverse the contingency provision made in FY 2011-2012. Further, since the matter is subjudice, sales commission for subsequent periods has been disclosed as a contingent liability amounting to ₹ 1,784 Million as on March 31, 2019 (March 31, 2018: ₹ 1,446 Million).

### **45.2 Adoption of financial statements**

At the Annual General Meetings of the SVES held on October 29, 2012, September 10, 2013, September 22, 2014, September 07, 2015, July 29, 2016, July 19, 2017 and July 23, 2018 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, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 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, 2019 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.

#### 46 Foreign currency receivables:

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

#### 47 Goodwill

Following is the summary of changes in carrying amount of goodwill:

₹ in Million

| Particulars                                                                 | Year ended     |                |
|-----------------------------------------------------------------------------|----------------|----------------|
|                                                                             | March 31, 2019 | March 31, 2018 |
| Balance at the beginning of the year                                        | 27,727         | 26,279         |
| On addition/ acquisition during the year (refer note 36.A)                  | 86             | 4,715          |
| Effect of foreign currency exchange differences (net) and other adjustments | 350            | (3,267)        |
| Balance at the end of the year                                              | 28,163         | 27,727         |

Allocation of goodwill by segments as of March 31, 2019 and March 31, 2018 is as follows:

Amount in ₹ Million

| Particulars  | As at          |                |
|--------------|----------------|----------------|
|              | March 31, 2019 | March 31, 2018 |
| IT           | 24,418         | 23,982         |
| BPO          | 3,745          | 3,745          |
| <b>Total</b> | <b>28,163</b>  | <b>27,727</b>  |

#### Allocation of goodwill to cash-generating units:

Goodwill has been allocated for impairment testing purposes to the underlying cash generating unit ('CGU') identified based on business units/geographies. The goodwill impairment test is performed at the level of the CGU or groups of cash-generating units which are benefiting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount of CGUs is determined based on higher of value-in-use and fair value less cost to sell. Value-in-use is the present value of future cash flows over a period of 3-5 years expected to be derived from the CGU.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments. The key assumptions used for the calculations are as follows:

| Assumption            | As at      |               |
|-----------------------|------------|---------------|
|                       | March 2019 | 31 March 2018 |
| Terminal growth rate  | 2-3%       | 2-3%          |
| Pre-tax discount rate | 18-25%     | 18-25%        |

The management believe that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the carrying amount to exceed the recoverable amount of the respective cash generating unit.

**48 Details of employee benefits as required by IND AS-19 - Employee Benefits are as under:****a) Defined Contribution Plans**

Amount recognized as an expense in the Statement of Profit and Loss for the year ended March 31, 2019 in respect of defined contribution plan is ₹ 2,990 Million (year ended March 31, 2018: ₹ 2,980 Million).

**b) Defined Benefit Plan**

The movement of present value of defined obligation is as follows:

₹ in Million

| Particulars                                             | As at          |                |
|---------------------------------------------------------|----------------|----------------|
|                                                         | March 31, 2019 | March 31, 2018 |
| Defined benefit obligation at the beginning of the year | 3488           | 3,391          |
| Less – Transfer on account of sale of subsidiary        | -              | (31)           |
| Current Service cost                                    | 643            | 719            |
| Past Service Cost                                       | -              | 66             |
| Interest cost                                           | 229            | 209            |
| Actuarial (gain)/loss – experience                      | 3              | (113)          |
| Actuarial (gain)/loss – financial assumptions           | 45             | (46)           |
| Benefits paid                                           | (482)          | (707)          |
| Projected benefit obligation at the end of the year     | 3,926          | 3,488          |

The composition of Funded Balance as at March 31, 2019 and March 31, 2018 is as follows:

₹ in Million

| Change in Fair Value of Plan Assets *                  | As at          |                |
|--------------------------------------------------------|----------------|----------------|
|                                                        | March 31, 2019 | March 31, 2018 |
| Fair value of plan assets at the beginning of the year | 163            | 152            |
| Interest income on Plan Assets                         | 7              | 12             |
| Actuarial (gain)/loss on plan assets                   | 5              | (1)            |
| Fair value of plan assets at the end of the year       | 175            | 163            |

\*The plan assets are primarily invested in insured managed fund and approved securities.

₹ in Million

| Particulars                                  | As at          |                |
|----------------------------------------------|----------------|----------------|
|                                              | March 31, 2019 | March 31, 2018 |
| Defined benefit obligation                   | 3,926          | 3,488          |
| Fair Value of Plan Assets                    | (175)          | (163)          |
| Net defined benefit obligation disclosed as: | 3,752          | 3,325          |
| - Current provisions                         | 409            | 348            |
| - Non current provisions                     | 3,342          | 2,977          |

**Expense recognized in the Statement of Profit and Loss**

₹ in Million

| Particulars                                            | As at          |                |
|--------------------------------------------------------|----------------|----------------|
|                                                        | March 31, 2019 | March 31, 2018 |
| Service cost                                           | 643            | 719            |
| Past Service Cost                                      | -              | 66             |
| Interest cost                                          | 229            | 209            |
| Interest Income on Plan Assets                         | (12)           | (14)           |
| Expense recognized in the Statement of Profit and Loss | 860            | 980            |

₹ in Million

| Actuarial (Gain)/Loss recognized in OCI                  | As at          |                |
|----------------------------------------------------------|----------------|----------------|
|                                                          | March 31, 2019 | March 31, 2018 |
| Actuarial (Gain)/Loss arising during the year            | 47             | (162)          |
| Actuarial (loss)/gain on plan assets                     | (5)            | (0)            |
| Net gain/(loss) recognised in Other Comprehensive Income | 42             | (162)          |

| Principal Actuarial Assumptions (Non Funded) | March 31, 2019                                         | March 31, 2018                                         |
|----------------------------------------------|--------------------------------------------------------|--------------------------------------------------------|
| Discount Rate                                | 5.00% to 8.00%                                         | 5.00% to 8.00%                                         |
| Expected rate of increase in compensation    | 2.00% to 12.00%                                        | 2.00% to 12.00%                                        |
| Mortality rate                               | Indian assured lives Mortality (2006-08) Modified Ult. | Indian assured lives Mortality (2006-08) Modified Ult. |
| Withdrawal Rate                              | 10.00% to 50.00%                                       | 10.00% to 50.00%                                       |

| Principal Actuarial Assumptions (Funded)  | March 31, 2019 | March 31, 2018 |
|-------------------------------------------|----------------|----------------|
| Discount Rate                             | 7.10%          | 7.00%          |
| Expected rate of increase in compensation | 7.00%          | 7.00%          |
| Withdrawal Rate                           | 16.00%         | 17.00%         |

The rate used to discount defined benefit obligations (both funded and unfunded) is determined by reference to market yields at the end of the reporting period on government bonds. However, for subsidiaries domicile outside India, discount rate on defined benefit obligation plan are with reference to market yield at the end of reporting period on high quality corporate bonds.

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.

#### Disclosure related to indication of effect of the defined benefit plan on the entity's future cash flows

₹ in Million

| Payout in the next | March 31, 2019 | March 31, 2018 |
|--------------------|----------------|----------------|
| 1 year             | 604            | 524            |
| 1-2 years          | 569            | 542            |
| 2-3 years          | 629            | 568            |
| 3-4 years          | 671            | 637            |
| 4-5 years          | 744            | 684            |
| 5 and beyond       | 3,446          | 3,207          |

**Sensitivity analysis:** A quantitative sensitivity analysis for significant assumption as at March 31, 2019 and March 31 2018 is as shown below:

| Effect on DBO on account of 0.5 % change in the assumed rates: |               |               |                        |               |                 |             |
|----------------------------------------------------------------|---------------|---------------|------------------------|---------------|-----------------|-------------|
| Year                                                           | Discount Rate |               | Salary Escalation Rate |               | Withdrawal Rate |             |
|                                                                | 0.5% Increase | 0.5% Decrease | 0.5% Increase          | 0.5% Decrease | 5% Increase     | 5% Decrease |
| March 31, 2019                                                 | (105)         | 111           | 109                    | (104)         | (27)            | 8           |
| March 31, 2018                                                 | (94)          | 100           | 101                    | (96)          | (21)            | (19)        |

The sensitivity results above determine their individual impact on Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

**49 Auditors Remuneration (exclusive of service tax/GST):**

₹ in Million

| Particulars                              | As at          |                 |
|------------------------------------------|----------------|-----------------|
|                                          | March 31, 2019 | *March 31, 2018 |
| Audit fees (including quarterly audits)  | 46             | 39              |
| For other services (certifications, etc) | 16             | 16              |
| For taxation matters                     | 7              | 10              |
| For reimbursement of expenses            | 2              | 1               |
| <b>Total</b>                             | <b>71</b>      | <b>66</b>       |

\*Includes an amount ₹ 13 Million paid to the erstwhile auditors

**50 Leases**

- i. Group has taken premises 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, 2019 is ₹ 4,079 Million including ₹ 294 Million car lease expenses classified as employee benefit expenses (year ended March 31, 2018: ₹ 3,789 Million including ₹ 227 Million car lease expenses classified as employee benefit expenses). The future lease payments of non-cancellable operating leases are as follows:

₹ in Million

| Particulars                                                                                                     | Not later than 1 year | Later than 1 year not later than 5 years | Later than 5 years |
|-----------------------------------------------------------------------------------------------------------------|-----------------------|------------------------------------------|--------------------|
| Minimum Lease rentals payable (March 31, 2018: ₹ 1,451 Million, ₹ 2,837 Million and ₹ 672 Million respectively) | 2,490                 | 4,347                                    | 1,134              |

- ii. Group has taken computers, software, plant & equipment and vehicles on finance lease. The future lease rent payable on such finance leases is as follows:

₹ in Million

| Particulars                                    | As at          |                |
|------------------------------------------------|----------------|----------------|
|                                                | March 31, 2019 | March 31, 2018 |
| <b>Minimum lease payments</b>                  |                |                |
| - Less than one year                           | 326            | 1,415          |
| - One to five years                            | 264            | 1,748          |
| <b>Total</b>                                   | <b>580</b>     | <b>3,163</b>   |
| <b>Present value of minimum lease payments</b> |                |                |
| - Less than one year                           | 299            | 1,331          |
| - One to five years                            | 242            | 1,707          |
| <b>Total</b>                                   | <b>541</b>     | <b>3,038</b>   |

- iii. Group has given premises, plant and equipment on operating lease. The rental income recognized in the Statement of Profit and Loss for the year ended March 31, 2019 is ₹ 292 Million (year ended March 31, 2018: ₹ 269 Million). The future lease rental receivable non-cancellable operating leases are as follows:

₹ in Million

| Particulars                                                                                                      | Not later than 1 year | Later than 1 year not later than 5 years | Later than 5 years |
|------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------------------------|--------------------|
| Minimum Lease rentals receivable (March 31, 2018: ₹ 346 Million, ₹ 818 Million and ₹ 2,296 Million respectively) | 248                   | 594                                      | 2,041              |

- iv. Group has given computer equipment on finance lease. The future lease rentals receivable are as follows:

₹ in Million

| Particulars                                       | As at          |                |
|---------------------------------------------------|----------------|----------------|
|                                                   | March 31, 2019 | March 31, 2018 |
| <b>Minimum lease receivables</b>                  |                |                |
| - Less than one year                              | 367            | 291            |
| - One to five years                               | 203            | 292            |
| <b>Total</b>                                      | <b>570</b>     | <b>583</b>     |
| <b>Present value of minimum lease receivables</b> |                |                |
| - Less than one year                              | 346            | 257            |
| - One to five years                               | 180            | 259            |
| <b>Total</b>                                      | <b>526</b>     | <b>516</b>     |

## 51 Disclosures for Revenue from Contracts with Customers

### i. Disaggregation of revenue

Revenue disaggregation by industry verticals is as follows:

₹ in million

| Industry vertical               | As at          |                |
|---------------------------------|----------------|----------------|
|                                 | March 31, 2019 | March 31, 2018 |
| Telecommunication               | 143,248        | 133,335        |
| Manufacturing                   | 70,278         | 59,001         |
| Media and Entertainment         | 25,166         | 19,828         |
| Banking and Finance             | 46,398         | 42,041         |
| Retail, Transport and Logistics | 22,357         | 21,007         |
| Others                          | 39,974         | 32,515         |
| <b>Total</b>                    | <b>347,421</b> | <b>307,729</b> |

Revenue disaggregation by reportable segments and by geography has been included in segment information (refer note 57).

### ii. Remaining performance obligations

The remaining performance obligations disclosure provides the aggregate amount of the transaction price yet to be recognised as of the end of the reporting period and an explanation as to when the Group expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation for contracts where the entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in scope of contracts, periodic revalidations, adjustments for revenue that has not materialized and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as of March 31, 2019, other than those meeting the exclusion criteria mentioned above, is ₹ 197,324 Million. Out of this, the Group expects to recognise revenue of around 60% within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessments the occurrence of the same is expected to be remote.

## iii. Contract assets and liabilities

Changes in the contract assets balances during the year ended March 31, 2019 are as follows:

| ₹ in Million                                         |                |
|------------------------------------------------------|----------------|
| Particulars                                          | March 31, 2019 |
| <b>Contract assets:</b>                              |                |
| Balances as of April 1, 2018                         | 4,507          |
| Add: Revenue recognised during the year              | 29,165         |
| Less: Invoiced during the year                       | (27,369)       |
| <b>Balances as of March 31, 2019 (refer note 18)</b> | <b>6,303</b>   |

Contract assets as on March 31, 2018 are included as a part of unbilled revenue.

Changes in the unearned revenue balances during the year ended March 31, 2019 are as follows:

| ₹ in Million                                                                                    |                |
|-------------------------------------------------------------------------------------------------|----------------|
| Particulars                                                                                     | March 31, 2019 |
| <b>Unearned Revenue:</b>                                                                        |                |
| Balances as of April 1, 2018                                                                    | 2,752          |
| Less: Revenue recognised that was included in the unearned revenue at the beginning of the year | (2,132)        |
| Add: Invoiced during year (excluding revenue recognized during the year)                        | 1,873          |
| <b>Balances as of March 31, 2019 (refer note 24 and 27)</b>                                     | <b>2,493</b>   |

## iv. Contract Price

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:  
The company has recognized revenue of ₹ 347,421 Million which is mainly adjusted by volume discounts of ₹ 7,142 Million for the year ended March 31, 2019

## 52 Financial Instruments and Risk Review

## Financial Risk Management Framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions.

## Financial Instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2019 is as follows:

| ₹ in Million                        |                        |                        |                                                |                |                      |                   |
|-------------------------------------|------------------------|------------------------|------------------------------------------------|----------------|----------------------|-------------------|
| Particulars                         | Fair value through P&L | Fair value through OCI | Derivative instruments in hedging relationship | Amortised cost | Total carrying value | Total fair value* |
| <b>Assets:</b>                      |                        |                        |                                                |                |                      |                   |
| Cash and cash equivalents           | -                      | -                      | -                                              | 20,427         | 20,427               | 20,427            |
| Other balances with banks           | -                      | -                      | -                                              | 3,160          | 3,160                | 3,160             |
| Trade receivables                   | -                      | -                      | -                                              | 69,649         | 69,649               | 69,649            |
| Investments (Other than associates) | 61,917                 | 21                     | -                                              | 11,120         | 73,058               | 73,058            |
| Loans                               | -                      | -                      | -                                              | 43             | 43                   | 43                |
| Other financial assets              | -                      | -                      | 4,835                                          | 29,014         | 33,849               | 33,849            |
| <b>Total</b>                        | <b>61,917</b>          | <b>21</b>              | <b>4,835</b>                                   | <b>133,413</b> | <b>200,186</b>       | <b>200,186</b>    |
| <b>Liabilities:</b>                 |                        |                        |                                                |                |                      |                   |
| Trade and other payables            | -                      | -                      | -                                              | 24,893         | 24,893               | 24,893            |
| Borrowings                          | -                      | -                      | -                                              | 19,955         | 19,955               | 19,955            |
| Other financial liabilities         | 2,354                  | -                      | 632                                            | 28,841         | 31,827               | 31,827            |
| <b>Total</b>                        | <b>2,354</b>           | <b>-</b>               | <b>632</b>                                     | <b>73,689</b>  | <b>76,675</b>        | <b>76,675</b>     |

The carrying value and fair value of financial instruments by categories as of March 31, 2018 is as follows:

₹ in Million

| Particulars                         | Fair value through P&L | Fair value through OCI | Derivative instruments in hedging relationship | Amortised cost | Total carrying value | Total fair value* |
|-------------------------------------|------------------------|------------------------|------------------------------------------------|----------------|----------------------|-------------------|
| <b>Assets:</b>                      |                        |                        |                                                |                |                      |                   |
| Cash and cash equivalents           | -                      | -                      | -                                              | 19,661         | 19,661               | 19,661            |
| Other balances with banks           | -                      | -                      | -                                              | 10,782         | 10,782               | 10,782            |
| Trade receivables                   | -                      | -                      | -                                              | 65,117         | 65,117               | 65,117            |
| Investments (Other than associates) | 41,773                 | 122                    | -                                              | 5,503          | 47,398               | 47,398            |
| Loans                               | -                      | -                      | -                                              | 52             | 52                   | 52                |
| Other financial assets              | -                      | -                      | 3,868                                          | 28,121         | 31,989               | 31,989            |
| <b>Total</b>                        | <b>41,773</b>          | <b>122</b>             | <b>3,868</b>                                   | <b>129,236</b> | <b>174,999</b>       | <b>174,999</b>    |
| <b>Liabilities:</b>                 |                        |                        |                                                |                |                      |                   |
| Trade and other payables            | -                      | -                      | -                                              | 20,368         | 20,368               | 20,368            |
| Borrowings                          | -                      | -                      | -                                              | 23,965         | 23,965               | 23,965            |
| Other financial liabilities         | 3,189                  | -                      | 2,017                                          | 13,881         | 19,087               | 19,087            |
| <b>Total</b>                        | <b>3,189</b>           | <b>-</b>               | <b>2,017</b>                                   | <b>58,214</b>  | <b>63,420</b>        | <b>63,420</b>     |

\*The fair value of cash and cash equivalents, other balances with bank, trade receivables, unbilled receivables, loans, trade payables, borrowing and certain other financial assets and liabilities approximate their carrying amount largely due to the short term nature of these instruments.

## Fair Value Hierarchy

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

The different levels have been defined as follows:

Level-1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level-2 – Inputs other than quoted prices included within level-1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level- 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

₹ in Million

| Particulars                      | As at March 31, 2019 |              |              |               |
|----------------------------------|----------------------|--------------|--------------|---------------|
|                                  | Level 1              | Level 2      | Level 3      | Total         |
| <b>Financial assets:</b>         |                      |              |              |               |
| Mutual fund investments          | 39,064               | -            | -            | 39,064        |
| Equity Shares                    | 41                   | -            | -            | 41            |
| Treasury Bonds and bills         | 49                   | -            | -            | 49            |
| Non-convertible debentures       | 22,783               | -            | -            | 22,783        |
| Derivative financial assets      | -                    | 4,835        | -            | 4,835         |
| <b>Total</b>                     | <b>61,937</b>        | <b>4,835</b> | <b>-</b>     | <b>66,772</b> |
| <b>Financial Liabilities:</b>    |                      |              |              |               |
| Other financial Liabilities      | -                    | -            | 2,354        | 2,354         |
| Derivative financial Liabilities | -                    | 632          | -            | 632           |
| <b>Total</b>                     |                      | <b>632</b>   | <b>2,354</b> | <b>2,986</b>  |

₹ in Million

| Particulars                      | As at March 31, 2018 |              |              |               |
|----------------------------------|----------------------|--------------|--------------|---------------|
|                                  | Level 1              | Level 2      | Level 3      | Total         |
| <b>Financial assets:</b>         |                      |              |              |               |
| Mutual fund investments          | 26,804               | -            | -            | 26,804        |
| Equity Shares                    | 142                  | -            | -            | 142           |
| Treasury Bonds and bills         | 32                   | -            | -            | 32            |
| Non-convertible debentures       | 14,917               | -            | -            | 14,917        |
| Derivative financial assets      | -                    | 3,868        | -            | 3,868         |
| <b>Total</b>                     | <b>41,895</b>        | <b>3,868</b> | <b>-</b>     | <b>45,763</b> |
| <b>Financial Liabilities:</b>    |                      |              |              |               |
| Other financial Liabilities      | -                    | -            | 3,189        | 3,189         |
| Derivative financial Liabilities | -                    | 2,017        | -            | 2,017         |
| <b>Total</b>                     | <b>-</b>             | <b>2,017</b> | <b>3,189</b> | <b>5,206</b>  |

**Credit Risk**

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risk. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables, investments, loans, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units, quoted bonds issued by government and quasi government organizations and non-convertible debentures issued by institutions with high credit ratings.

**Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 200,186 and ₹ 176,009 Million as of March 31, 2019 and March 31, 2018 respectively, being the total of the carrying amount of trade receivables, investments, cash and cash equivalents, other balance with banks, loans and other financial assets.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks provided by the Company. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called on. (refer note 38.3.1 above).

**Trade receivables**

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each Balance Sheet date whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The Company's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding accounts receivable and unbilled revenue as of March 31, 2019 and March 31, 2018. The concentration of credit risk is limited due to the fact that the customer base is large.

The expected credit loss allowance is based on the ageing of receivables and the rates in the provision matrix. Movement in the expected credit loss allowance is as follows:

₹ In Million

| Particulars                                                                                     | As at          |                |
|-------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                 | March 31, 2019 | March 31, 2018 |
| Balance at the beginning of the year                                                            | 7,554          | 7,008          |
| Movement in the expected credit loss allowance on trade receivables and other financial assets: |                |                |
| Provided during the year                                                                        | 4,688          | 2,917          |
| Reversed/utilised during the year                                                               | (2,939)        | (2,498)        |
| Translation Adjustment                                                                          | 137            | 127            |
| <b>Balance at the end of the year</b>                                                           | <b>9,440</b>   | <b>7,554</b>   |

## Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange currency risk.

### a) Foreign Currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Euro, Great Britain Pound, Australian Dollar and Canadian Dollar against the respective functional currency of the Company. The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange currency risk.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 1% against the respective functional currency of the Company.

Further the exposure as indicated below is mitigated by some of the derivative contracts entered into by the Company as disclosed in note below.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the year are as follows:

₹ in Million

| Particulars           | Currency | March 31, 2019 | March 31, 2018 |
|-----------------------|----------|----------------|----------------|
| Financial Assets      | USD      | 42,914         | 45,885         |
|                       | EUR      | 7,896          | 8,515          |
|                       | GBP      | 5,122          | 7,756          |
|                       | AUD      | 5,066          | 4,309          |
|                       | CAD      | 2,411          | 2,394          |
|                       | Others   | 35,496         | 14,933         |
| <b>Total</b>          |          | <b>98,905</b>  | <b>83,792</b>  |
| Financial Liabilities | USD      | 20,607         | 20,901         |
|                       | EUR      | 3,077          | 2,505          |
|                       | GBP      | 1,075          | 1,442          |
|                       | AUD      | 600            | 1,072          |
|                       | CAD      | 517            | 676            |
|                       | Others   | 20,618         | 4,922          |
| <b>Total</b>          |          | <b>46,494</b>  | <b>31,518</b>  |

A reasonably possible strengthening by 1% of USD, GBP, EUR, AUD and CAD against the Indian Rupee as at March 31, 2019 and 31 March 2018 will affect the statement of profit and loss by the amounts shown below:

| ₹ in Million |                |                |
|--------------|----------------|----------------|
| Currency     | March 31, 2019 | March 31, 2018 |
| USD          | 223            | 250            |
| EUR          | 48             | 60             |
| GBP          | 40             | 63             |
| AUD          | 45             | 32             |
| CAD          | 19             | 17             |

**b) Foreign Exchange Contracts and Options**

The Group is exposed primarily to fluctuations in foreign currency exchange rates, credit risk and liquidity risk which may impact the fair value of its financial instruments. The Group assesses the unpredictability of the financial environment and seeks to mitigate potential effects on the financial performance of the Group.

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. These contracts are for a period between 1 day and 3 years.

The following are the principal amounts of outstanding foreign currency exchange forward contracts entered into by the Group which have been designated as Cash Flow Hedges:

| Type of cover | Amount outstanding in Foreign currency (in FC Million) | Fair Value Gain / (Loss) (₹ in Million) |
|---------------|--------------------------------------------------------|-----------------------------------------|
| Forwards      | GBP to USD 230<br>(March 31, 2018: 192)                | 483<br>(March 31, 2018: (1,158))        |
|               | EUR to USD 266<br>(March 31, 2018: 170)                | 971<br>(March 31, 2018: (826))          |
|               | AUD to USD 35<br>(March 31, 2018: 34)                  | 48<br>(March 31, 2018: 14)              |
|               | USD to CAD 35<br>(March 31, 2018: 41)                  | 24<br>(March 31, 2018: 15)              |
|               | USD to INR 1507<br>(March 31, 2018: 1,121)             | 2,389<br>(March 31, 2018: 4,004)        |
|               | AUD to INR 22<br>(March 31, 2018: 3)                   | 57<br>(March 31, 2018: 2)               |
|               | EUR to INR 5<br>(March 31, 2018: 5)                    | 17<br>(March 31, 2018: (8))             |
|               | GBP to INR 10<br>(March 31, 2018: 8)                   | 18<br>(March 31, 2018: (7))             |
| Options       | GBP to USD 3<br>(March 31, 2018: 36)                   | 4<br>(March 31, 2018: (202))            |
|               | EUR to USD 22<br>(March 31, 2018: 69)                  | 180<br>(March 31, 2018: (145))          |
|               | USD to INR 101<br>(March 31, 2018: 96)                 | (76)<br>(March 31, 2018: 7)             |

The movement in hedging reserve for derivatives designated as Cash Flow Hedges is as follows:

₹ in Million

| Particulars                                                                                                      | As at          |                |
|------------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                                  | March 31, 2019 | March 31, 2018 |
| (a) Balance at the beginning of the year                                                                         | 974            | 7,428          |
| (b) Changes in the fair value of effective portion of derivatives – Gain/(Loss)                                  | 2,881          | (697)          |
| (c) Net (Gain)/Loss reclassified to statement of profit and loss on occurrence of hedged forecasted transactions | (374)          | (5,757)        |
| (d) Gain/(Loss) on cash flow hedging derivatives, net (b+c)                                                      | 2,507          | (6,454)        |
| (e) Balance as at the end of the year (a+d)                                                                      | 3,481          | 974            |
| (f) Tax Impact on effective portion of outstanding derivatives                                                   | (952)          | (177)          |
| (g) Balance as at the end of the year, net of deferred tax (e+f)                                                 | 2,529          | 797            |

## c) Details of Interest Rate Swap Contracts

Details of Interest Rate Swap Contracts outstanding at the end of year:

₹ in Million

| Particulars                                             | Average Contracted Fixed Interest Rate |                        | Notional Principal Value |                | Fair Value assets (liabilities) |                |
|---------------------------------------------------------|----------------------------------------|------------------------|--------------------------|----------------|---------------------------------|----------------|
|                                                         | March 31, 2019                         | March 31, 2018         | March 31, 2019           | March 31, 2018 | March 31, 2019                  | March 31, 2018 |
|                                                         | %                                      | %                      | ₹                        | ₹              | ₹                               | ₹              |
| <b>Cash Flow Hedges</b>                                 |                                        |                        |                          |                |                                 |                |
| <i>Outstanding receive floating pay fixed contracts</i> |                                        |                        |                          |                |                                 |                |
| Less than 1 year                                        | 1.224%<br>to<br>2.373%                 | 1.224%<br>to<br>3.281% | 6,362                    | 4,562          | 51                              | 47             |
| 1 to 2 years                                            | 1.224%<br>to<br>2.373%                 | 1.224%<br>to<br>1.804% | 4,979                    | 3,910          | 20                              | 53             |
| 2 to 5 years                                            | -                                      | 1.224%                 | -                        | 2,607          | -                               | 29             |
| 5 years +                                               | -                                      | -                      | -                        | -              | -                               | -              |

## Interest Rate Sensitivity Analysis

If interest rates had been 0.25 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended March 31, 2019 would decrease/increase by ₹ 14 Million (March 31, 2018: decrease/increase by ₹ 9 Million). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

## Liquidity Risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2019:

₹ in Million

| Particulars                                 | Less than 1 year | 1-3 years    | More than 3 years | Total         |
|---------------------------------------------|------------------|--------------|-------------------|---------------|
| <b>Non Derivative Financial Liabilities</b> |                  |              |                   |               |
| Finance lease obligation                    | 299              | 214          | 28                | 541           |
| Other borrowings                            | 17,570           | 1,844        | -                 | 19,414        |
| Trade Payables                              | 24,893           | -            | -                 | 24,893        |
| Other financial liabilities                 | 28,287           | 2,908        | -                 | 31,195        |
| <b>Total</b>                                | <b>71,049</b>    | <b>4,966</b> | <b>28</b>         | <b>76,043</b> |
| Derivative Financial Liabilities            | 531              | 101          | -                 | 632           |
| <b>Total</b>                                | <b>71,580</b>    | <b>5,067</b> | <b>28</b>         | <b>76,675</b> |

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2018:

₹ in Million

| Particulars                                 | Less than 1 year | 1-3 years     | More than 3 years | Total         |
|---------------------------------------------|------------------|---------------|-------------------|---------------|
| <b>Non Derivative Financial Liabilities</b> |                  |               |                   |               |
| Finance lease obligation                    | 1,331            | 1,562         | 145               | 3,038         |
| Other borrowings                            | 14,924           | 6,004         | -                 | 20,928        |
| Trade Payables                              | 20,368           | -             | -                 | 20,368        |
| Other financial liabilities                 | 11,994           | 5,075         | -                 | 17,069        |
| <b>Total</b>                                | <b>48,617</b>    | <b>12,641</b> | <b>145</b>        | <b>61,403</b> |
| Derivative Financial Liabilities            | 1,363            | 654           | -                 | 2,017         |
| <b>Total</b>                                | <b>49,980</b>    | <b>13,295</b> | <b>145</b>        | <b>63,420</b> |

### 53 Current Tax and Deferred Tax

The income tax expense for the year ended can be reconciled to the accounting profit as follows:

₹ in Million

| Particulars                                             | Year ended     |                |
|---------------------------------------------------------|----------------|----------------|
|                                                         | March 31, 2019 | March 31, 2018 |
| Profit before income taxes                              | 55,432         | 48,788         |
| Enacted tax rates in India                              | 34.944%        | 34.608%        |
| Income tax expense calculated at enacted tax rate       | 19,370         | 16,885         |
| Effect of income that is exempt from tax                | (6,774)        | (5,390)        |
| Impact of tax exemption which may not be fully utilized | 1,851          | -              |
| Effect of expenses disallowed for tax purpose           | 1,169          | 1,806          |
| Effect of tax on income at different rates              | 680            | 642            |
| Effect of income taxes related to prior years           | (3,032)        | (2,573)        |
| Others                                                  | (720)          | (444)          |
| <b>Income tax expense recognised in profit or loss</b>  | <b>12,544</b>  | <b>10,926</b>  |

The tax rate used for the above reconciliation is the rate as applicable for the respective period payable by corporate entities in India on taxable profits under the Indian income tax laws.

## Deferred Tax:

The breakup of Deferred Tax Assets presented in the Balance Sheet is as follows:

₹ in Million

| Particulars                                               | As at          |                |
|-----------------------------------------------------------|----------------|----------------|
|                                                           | March 31, 2019 | March 31, 2018 |
| Employee Benefits                                         | 1,953          | 1,841          |
| Property, Plant and Equipment                             | 1,450          | 1,105          |
| Provisions                                                | 1,592          | 1,315          |
| Changes in fair value of derivatives designated as hedges | (1,110)        | (372)          |
| Other Items*                                              | 2,206          | 1,877          |
| <b>Total</b>                                              | <b>6,091</b>   | <b>5,766</b>   |

\*Other items also includes deferred tax on brought forward losses.

The breakup of Deferred Tax Liability presented in the Balance Sheet is as follows:

₹ in Million

| Particulars  | As at          |                |
|--------------|----------------|----------------|
|              | March 31, 2019 | March 31, 2018 |
| Other Items  | (11)           | (58)           |
| <b>Total</b> | <b>(11)</b>    | <b>(58)</b>    |

The tax effect of significant temporary differences that has resulted in deferred tax assets for the year ended March 31, 2019 are given below:

₹ in Million

| Particulars                                               | For year ended March 31, 2019 |                               |                   |              |                 |
|-----------------------------------------------------------|-------------------------------|-------------------------------|-------------------|--------------|-----------------|
|                                                           | Opening balance               | Recognised in Profit and loss | Recognised in OCI | Others*      | Closing balance |
| Employee Benefits                                         | 1,841                         | 105                           | 7                 | -            | 1,953           |
| Property, Plant and Equipment                             | 1,105                         | 345                           | -                 | -            | 1,450           |
| Provisions                                                | 1,315                         | 277                           | -                 | -            | 1,592           |
| Changes in fair value of derivatives designated as hedges | (372)                         | 37                            | (775)             | -            | (1,110)         |
| Other Items                                               | 1,877                         | 431                           | -                 | (102)        | 2,206           |
| <b>Net Deferred Tax Assets</b>                            | <b>5,766</b>                  | <b>1,195</b>                  | <b>(768)</b>      | <b>(102)</b> | <b>6,091</b>    |

The tax effect of significant timing differences that has resulted in deferred tax liabilities for the year ended March 31, 2019 are given below:

₹ in Million

| Particulars                         | For year ended March 31, 2019 |                               |                   |          |                 |
|-------------------------------------|-------------------------------|-------------------------------|-------------------|----------|-----------------|
|                                     | Opening balance               | Recognised in Profit and loss | Recognised in OCI | Others*  | Closing balance |
| Other Items                         | (58)                          | 47                            | -                 | -        | (11)            |
| <b>Net Deferred Tax Liabilities</b> | <b>(58)</b>                   | <b>47</b>                     | <b>-</b>          | <b>-</b> | <b>(11)</b>     |

The tax effect of significant timing differences that has resulted in deferred tax assets for the year ended March 31, 2018 are given below:

₹ in Million

| Particulars                                               | For year ended March 31, 2018 |                               |                   |             |                 |
|-----------------------------------------------------------|-------------------------------|-------------------------------|-------------------|-------------|-----------------|
|                                                           | Opening balance               | Recognised in Profit and loss | Recognised in OCI | Other*      | Closing balance |
| Employee Benefits                                         | 1,591                         | 320                           | (70)              | -           | 1,841           |
| Property, Plant and Equipment                             | 1,589                         | (484)                         | -                 | -           | 1,105           |
| Provisions                                                | 1,365                         | (50)                          | -                 | -           | 1,315           |
| Changes in fair value of derivatives designated as hedges | (3,298)                       | 576                           | 2,350             | -           | (372)           |
| Other Items                                               | 1,425                         | 480                           | -                 | (29)        | 1,877           |
| <b>Net Deferred Tax Assets</b>                            | <b>2,674</b>                  | <b>842</b>                    | <b>2,280</b>      | <b>(29)</b> | <b>5,766</b>    |

The tax effect of significant timing differences that has resulted in deferred tax liabilities for the year ended March 31, 2018 are given below:

₹ in million

| Particulars                         | For year ended March 31, 2018 |                               |                   |           |                 |
|-------------------------------------|-------------------------------|-------------------------------|-------------------|-----------|-----------------|
|                                     | Opening balance               | Recognised in Profit and loss | Recognised in OCI | Others*   | Closing balance |
| Other Items                         | (95)                          | -                             | -                 | 37        | (58)            |
| <b>Net Deferred Tax Liabilities</b> | <b>(95)</b>                   | <b>-</b>                      | <b>-</b>          | <b>37</b> | <b>(58)</b>     |

\*includes exchange (gain)/ loss

Deferred income tax liabilities have not been recognized on temporary differences amounting to ₹ 23,525 Million and ₹ 22,615 Million as of March 31, 2019 and March 31, 2018 respectively, associated with investments in subsidiaries and branches as it is probable that the temporary differences will not reverse in the foreseeable future.

## 54 Related party relationships and transactions

### a) List of Related Parties and Relationships

| Name of Related Party                                 | Relation                                                                                    |
|-------------------------------------------------------|---------------------------------------------------------------------------------------------|
| Mahindra & Mahindra Limited                           | Promoter/Enterprise having significant influence                                            |
| Avion Networks, Inc.                                  | Associate                                                                                   |
| SARL Djazatech                                        | Associate                                                                                   |
| EURL LCC UK Algeria                                   | Associate                                                                                   |
| IQS Information Solutions WLL (till November 26,2018) | Associate                                                                                   |
| Goodmind S.r.l                                        | Associate                                                                                   |
| Signature S.r.l.                                      | Associate                                                                                   |
| AltioStar Networks, Inc.                              | Associate                                                                                   |
| Tech Mahindra Foundation                              | Section 8 company (refer note 35)                                                           |
| Mahindra Satyam Foundation                            | Trust (refer note 35)                                                                       |
| Mahindra Educational Institutions                     | Section 8 company (refer note 35)                                                           |
| TML Odd Lot Trust                                     | Trust to hold the fractional shares (refer note 35)                                         |
| Tech Mahindra Limited Superannuation Scheme           | Post-employment benefit Plan                                                                |
| Tech Mahindra Limited Employees Gratuity Scheme       | Post-employment benefit Plan                                                                |
| Tech Mahindra Limited Employees Gratuity Scheme       | Post-employment benefit Plan (Formerly known as Axes Technologies Employees Gratuity Trust) |

| Name of Related Party                                        | Relation                 |
|--------------------------------------------------------------|--------------------------|
| Anand G. Mahindra - Non-Executive Director                   | Key Management Personnel |
| Vineet Nayyar * - Non-Executive Director                     |                          |
| C.P. Gurnani – Managing Director and Chief Executive Officer |                          |
| Milind Kulkarni \$ - Chief Financial Officer                 |                          |
| Manoj Bhat # – Chief Financial Officer                       |                          |
| Anil Khatri - Company Secretary                              |                          |
| Ulhas N. Yargop - Non-Executive Director                     |                          |
| V. S. Parthasarathy - Non-Executive Director                 |                          |
| Anupam Puri - Independent Director                           |                          |
| M. Rajyalakshmi Rao - Independent Director                   |                          |
| Ravindra Kulkarni - Independent Director                     |                          |
| T. N. Manoharan - Independent Director                       |                          |
| M. Damodaran - Independent Director                          |                          |

\$ upto May 31, 2018

#w.e.f. June 1, 2018

\* upto July 31, 2018

**Total Related Party Transactions and significant related party transactions (by entity) for the year ended March 31, 2019 and March 31, 2018.**

₹ in Million

| Nature of Transactions                                  | Name of the party                 | For the year ended |                |
|---------------------------------------------------------|-----------------------------------|--------------------|----------------|
|                                                         |                                   | March 31, 2019     | March 31, 2018 |
| Revenue                                                 |                                   | 2,731              | 2,503          |
|                                                         | Mahindra & Mahindra Limited       | 1,945              | 1,957          |
|                                                         | Avion Networks, Inc.              | 774                | 538            |
| Sub-contracting cost                                    |                                   | 7                  | 10             |
|                                                         | Mahindra & Mahindra Limited       | 0                  | 9              |
|                                                         | Signature S.r.l.                  | 7                  | -              |
| Reimbursement of Expenses (Net)-Paid/ (Receipt)         |                                   | 9                  | (62)           |
|                                                         | Mahindra & Mahindra Limited       | 10                 | (62)           |
| Rent Expense                                            |                                   | 1                  | 1              |
|                                                         | Mahindra & Mahindra Limited       | 1                  | 1              |
| Rent Income                                             |                                   | 130                | 126            |
|                                                         | Mahindra Educational Institutions | 130                | 126            |
| Information Technology Support Services                 |                                   | 0                  | 18             |
|                                                         | Mahindra & Mahindra Limited       | 0                  | 18             |
| Purchase of property, plant & equipment                 |                                   | 17                 | -              |
|                                                         | Mahindra & Mahindra Limited       | 17                 | -              |
| Loan Received Back                                      |                                   | 8                  | -              |
|                                                         | Goodmind S.R.L                    | 8                  | -              |
| Interest Expenses                                       |                                   | 46                 | 46             |
|                                                         | Mahindra & Mahindra Limited       | 46                 | 46             |
| Dividend Paid                                           |                                   | 3,682              | 3,230          |
|                                                         | Mahindra & Mahindra Limited       | 3,587              | 2,306          |
| Corporate Social Responsibility Expenditure (donations) |                                   | 912                | 773            |
|                                                         | Tech Mahindra Foundation          | 702                | 563            |
|                                                         | Mahindra Educational Institutions | 210                | 210            |

| Nature of Transactions                                                                            | Name of the party                   | For the year ended |                |
|---------------------------------------------------------------------------------------------------|-------------------------------------|--------------------|----------------|
|                                                                                                   |                                     | March 31, 2019     | March 31, 2018 |
| Remuneration to KMPs (Including Salary, stock compensation benefits & post-employment benefits) @ |                                     | 474                | 293            |
|                                                                                                   | C. P. Gurnani                       | 449                | 277            |
|                                                                                                   | Milind Kulkarni \$                  | 3                  | 12             |
|                                                                                                   | Manoj Bhat #                        | 17                 | -              |
|                                                                                                   | Anil Khatri                         | 5                  | 4              |
| Commission/Sitting fees/stock compensation benefits                                               | Non-Executive/Independent Directors | 66                 | 94             |

Note: Disclosure of entity wise transactions are given for material transactions within each category.

@ Employment benefits comprising gratuity and compensated absences are not disclosed, as these are determined for the Company as a whole

\$ upto May 31, 2018

#w.e.f. June 1, 2018

#### Closing Related Party Balances as follows:

₹ in Million

| Balance as on                                  | Name of the party                 | As at          |                |
|------------------------------------------------|-----------------------------------|----------------|----------------|
|                                                |                                   | March 31, 2019 | March 31, 2018 |
| Trade Payables                                 |                                   | 48             | 62             |
|                                                | Mahindra & Mahindra Limited       | 47             | 61             |
| Trade Receivables                              |                                   | 1,148          | 957            |
|                                                | Mahindra & Mahindra Limited       | 576            | 430            |
|                                                | Avion Networks, Inc               | 572            | 527            |
| Contractually Reimbursable Expenses receivable |                                   | 33             | 39             |
|                                                | Mahindra & Mahindra Limited       | 33             | 39             |
| Rent Receivable                                |                                   | 86             | 106            |
|                                                | Mahindra Educational Institutions | 86             | 106            |
| Unbilled Revenue Receivable                    |                                   | 38             | 254            |
|                                                | Mahindra & Mahindra Limited       | 38             | 254            |
| Financial Guarantee Contracts                  |                                   | 356            | 419            |
|                                                | Mahindra & Mahindra Limited       | 356            | 419            |
| Loan Given                                     |                                   | 43             | 52             |
|                                                | Signature S.r.l.                  | 43             | 44             |
| Advances                                       |                                   | 181            | 195            |
|                                                | SARL Djazatech                    | 114            | 118            |
|                                                | EURL LCC UK Algerie               | 67             | 69             |
| Payable to Key management personnel            |                                   | 69             | 100            |
|                                                | C P Gurnani                       | 13             | 11             |
|                                                | Milind Kulkarni \$                | -              | 4              |
|                                                | Anil Khatri                       | 0              | 1              |
|                                                | Manoj Bhat #                      | 3              | -              |
|                                                | Vineet Nayyar *                   | -              | 36             |
|                                                | Ulhas N. Yargop                   | 8              | 7              |
|                                                | V.S. Parthasarathy                | 7              | 6              |
|                                                | Anupam Puri                       | 9              | 8              |
|                                                | M. Rajyalakshmi Rao               | 6              | 6              |
|                                                | Ravindra Kulkarni                 | 8              | 7              |
|                                                | T. N. Manoharan                   | 8              | 7              |
|                                                | M. Damodaran                      | 7              | 7              |

Note: Disclosure of entity wise balances are given for material transactions within each category.

\$ upto May 31, 2018

#w.e.f. June 1, 2018

\*upto July 31, 2018

## 55 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 the 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 and its subsidiaries. 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 each 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. 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 a 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 to 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 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, 18,084 options were outstanding under ESOS, which were converted into equivalent 30,144 options of the Company giving effect to approved share exchange ratio, split and bonus.

**vii. Details of options granted during the year ended March 31, 2019:**

| ESOP Scheme | Method of Settlement | Number of options granted during the year ended March 31, 2019 | Grant date       | Weighted average fair value |
|-------------|----------------------|----------------------------------------------------------------|------------------|-----------------------------|
| ESOP 2014   | Equity settled Plans | 968,000                                                        | May 25, 2018     | 671.01                      |
| ESOP 2014   | Equity settled Plans | 15,000                                                         | May 25, 2018     | 287.24                      |
| ESOP 2014   | Equity settled Plans | 210,000                                                        | July 30, 2018    | 608.20                      |
| ESOP 2014   | Equity settled Plans | 479,000                                                        | October 30, 2018 | 600.06                      |
| ESOP 2014   | Equity settled Plans | 10,000                                                         | October 30, 2018 | 245.32                      |
| ESOP 2014   | Equity settled Plans | 753,000                                                        | February 4, 2019 | 692.89                      |
| ESOP 2014   | Equity settled Plans | 8,000                                                          | February 4, 2019 | 286.19                      |

**viii. Details of activity of the ESOP schemes**

Movement for the year ended March 31, 2019 and year ended March 31, 2018:

| 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 | Exercisable at the end of the year |
|-----------------|-------------------|----------------|------------------------------------------|-------------------------|---------------------------|------------------------|---------------------------|------------------------------------|------------------------------------|
| ESOP 2000       | Number of options | March 31, 2019 | -                                        | -                       | -                         | -                      | -                         | -                                  | -                                  |
| ESOP 2000       | WAEP*             | March 31, 2019 | -                                        | -                       | -                         | -                      | -                         | -                                  | -                                  |
| ESOP 2000       | Number of options | March 31, 2018 | 470,000                                  | -                       | -                         | -                      | 470,000                   | -                                  | -                                  |
| ESOP 2000       | WAEP*             | March 31, 2018 | 12.24                                    | -                       | -                         | -                      | 12.24                     | -                                  | -                                  |
| ESOP 2006       | Number of options | March 31, 2019 | 623,900                                  | -                       | 8,400                     | 104,000                | 360,850                   | 150,650                            | 150,650                            |
| ESOP 2006       | WAEP*             | March 31, 2019 | 194.81                                   | -                       | 230.50                    | 175.25                 | 190.22                    | 217.30                             | 217.30                             |
| ESOP 2006       | Number of options | March 31, 2018 | 1,205,275                                | -                       | 49,500                    | 78,000                 | 453,875                   | 623,900                            | 504,700                            |
| ESOP 2006       | WAEP*             | March 31, 2018 | 187.83                                   | -                       | 185.92                    | 158.50                 | 183.49                    | 194.81                             | 185.74                             |
| ESOP 2010       | Number of options | March 31, 2019 | 6,668                                    | -                       | -                         | -                      | -                         | 6,668                              | 6,668                              |
| ESOP 2010       | WAEP*             | March 31, 2019 | 1.01                                     | -                       | -                         | -                      | -                         | 5.00                               | 5.00                               |
| ESOP 2010       | Number of options | March 31, 2018 | 23,336                                   | -                       | -                         | -                      | 16,668                    | 6,668                              | 6,668                              |
| ESOP 2010       | WAEP*             | March 31, 2018 | 5.00                                     | -                       | -                         | -                      | 5.00                      | 5.00                               | 5.00                               |
| TML ESOP B-2013 | Number of options | March 31, 2019 | 3,422,464                                | -                       | 17,570                    | 48,517                 | 2,128,314                 | 1,228,063                          | 1,228,063                          |
| TML ESOP B-2013 | WAEP*             | March 31, 2019 | 79.68                                    | -                       | 372.28                    | 220.92                 | 42.62                     | 134.15                             | 134.15                             |
| TML ESOP B-2013 | Number of options | March 31, 2018 | 7,360,115                                | -                       | 63,568                    | 80,444                 | 3,793,639                 | 3,422,464                          | 3,392,464                          |
| TML ESOP B-2013 | WAEP*             | March 31, 2018 | 58.51                                    | -                       | 423.91                    | 221                    | 29.85                     | 79.68                              | 76.09                              |
| TML RSU         | Number of options | March 31, 2019 | 442,100                                  | -                       | 472                       | 2,500                  | 158,504                   | 280,624                            | 280,624                            |
| TML RSU         | WAEP*             | March 31, 2019 | 5.00                                     | -                       | 5.00                      | 5.00                   | 5.00                      | 5.00                               | 5.00                               |

| 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 | Exercisable at the end of the year |
|-------------|-------------------|----------------|------------------------------------------|-------------------------|---------------------------|------------------------|---------------------------|------------------------------------|------------------------------------|
| TML RSU     | Number of options | March 31, 2018 | 910,686                                  | -                       | 10,000                    | 78                     | 458,508                   | 442,100                            | 411,100                            |
| TML RSU     | WAEP*             | March 31, 2018 | 5.00                                     | -                       | 5.00                      | 5.00                   | 5.00                      | 5.00                               | 5.00                               |
| ESOP A      | Number of options | March 31, 2019 | 380,808                                  | -                       | -                         | 13,056                 | 320,340                   | 47,412                             | 47,412                             |
| ESOP A      | WAEP*             | March 31, 2019 | 13.72                                    | -                       | -                         | 30.00                  | 10.65                     | 30.00                              | 30.00                              |
| ESOP A      | Number of options | March 31, 2018 | 304,698                                  | 248,000                 | 14,112                    | 17,990                 | 139,788                   | 380,808                            | 132,808                            |
| ESOP A      | WAEP*             | March 31, 2018 | 30.00                                    | 5.00                    | 30.00                     | 30.00                  | 30.00                     | 13.72                              | 30.00                              |
| ESOP 2014   | Number of options | March 31, 2019 | 13,522,078                               | 2,443,000               | 785,560                   | -                      | 980,994                   | 14,198,524                         | 6,039,678                          |
| ESOP 2014   | WAEP*             | March 31, 2019 | 292.77                                   | 13.04                   | 381.02                    | -                      | 204.52                    | 245.85                             | 450.66                             |
| ESOP 2014   | Number of options | March 31, 2018 | 10,655,452                               | 4,890,500               | 1,578,836                 | -                      | 445,038                   | 13,522,078                         | 3,880,902                          |
| ESOP 2014   | WAEP*             | March 31, 2018 | 394.33                                   | 77.62                   | 367.33                    | -                      | 95.83                     | 292.77                             | 504.95                             |
| ESOS        | Number of options | March 31, 2019 | 5,252                                    | -                       | -                         | -                      | -                         | 5,252                              | 5,252                              |
| ESOS        | WAEP*             | March 31, 2019 | 6.00                                     | -                       | -                         | -                      | -                         | 6.00                               | 6.00                               |
| ESOS        | Number of options | March 31, 2018 | 20,196                                   | -                       | -                         | 13,132                 | 1,812                     | 5,252                              | 5,252                              |
| ESOS        | WAEP*             | March 31, 2018 | 15.07                                    | -                       | -                         | 11                     | 69.60                     | 6.00                               | 6.00                               |
| Total       | Number of options | March 31, 2019 | 18,403,270                               | 2,443,000               | 812,002                   | 168,073                | 3,949,002                 | 15,917,193                         | 7,758,347                          |
| Total       | Number of options | March 31, 2018 | 20,949,758                               | 5,138,500               | 1,716,016                 | 189,644                | 5,779,328                 | 18,403,270                         | 8,333,894                          |

\* Weighted average exercise price

## ix. Average Share price on date of exercise

The weighted average share price for the year over which stock options were exercised was ₹ 707.21 (year ended March 31, 2018: ₹ 428.75).

## x. Information in respect of options outstanding:

| ESOP Scheme     | Range of Exercise price | As at March 31, 2019          |                                             | As at March 31, 2018          |                                             |
|-----------------|-------------------------|-------------------------------|---------------------------------------------|-------------------------------|---------------------------------------------|
|                 |                         | Number of Options Outstanding | Weighted average remaining life (in Years)* | Number of Options Outstanding | Weighted average remaining life (in Years)* |
| ESOP 2006       | 151-300                 | 146,650                       | 0.83                                        | 603,900                       | 0.78                                        |
| ESOP 2006       | 301-450                 | 4,000                         | 1.37                                        | 20,000                        | 2.37                                        |
| ESOP 2010       | 5-150                   | 6,668                         | 0                                           | 6,668                         | 0                                           |
| TML ESOP B-2013 | 5-150                   | 713,828                       | 2.63                                        | 2,547,008                     | 3.05                                        |
| TML ESOP B-2013 | 151-300                 | 338,171                       | 1.22                                        | 620,900                       | 1.79                                        |
| TML ESOP B-2013 | 301-450                 | 136,064                       | 2.55                                        | 206,556                       | 3.34                                        |
| TML ESOP B-2013 | 451-600                 | 40,000                        | 2.84                                        | 48,000                        | 3.84                                        |
| TML RSU         | 5-150                   | 280,624                       | 2.31                                        | 442,100                       | 3.31                                        |
| ESOP A          | 5-150                   | 47,412                        | 0                                           | 380,808                       | 0.61                                        |
| ESOP-2014       | 5-150                   | 7,364,162                     | 6.32                                        | 5,726,687                     | 6.66                                        |
| ESOP-2014       | 301-450                 | 3,578,200                     | 5.15                                        | 4,131,590                     | 6.03                                        |
| ESOP-2014       | 451-600                 | 46,000                        | 4.75                                        | 41,600                        | 4.33                                        |
| ESOP-2014       | 601-750                 | 3,210,162                     | 3.17                                        | 3,622,201                     | 4.12                                        |
| ESOS            | 5-150                   | 5,252                         | 0                                           | 5,252                         | 0                                           |

\*Weighted average remaining life for options exercised pending allotment as at year end has been disclosed as '0'.

- xi. 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 has been computed by reference to the fair value of share options granted and amortized over each vesting period. For the period ended March 31, 2019, the Company has accounted for employee stock compensation cost (equity settled) amounting to ₹ 1,263 Million (March 31, 2018: ₹ 887 Million). This amount is net of cost of options granted to employees of subsidiaries.
- xii. The fair value of each option is estimated on the date of grant using Black-Scholes-Merton model with the following assumptions:

| Assumptions                  | For the year ended<br>March 31, 2019 | For the year ended March 31, 2018 |        |
|------------------------------|--------------------------------------|-----------------------------------|--------|
| Particulars                  | ESOP 2014                            | ESOP 2014                         | ESOP A |
| Weighted average share price | 653                                  | 381-599                           | 430    |
| Exercise Price               | 5-635                                | 5-362                             | 5      |
| Expected Volatility (%)      | 27-30                                | 27-29                             | 29     |
| Expected Life (in years)     | 2-6                                  | 2-6                               | 3      |
| Expected Dividend (%)        | 1-2                                  | 1.2                               | 1.2    |
| Risk Free Interest Rate (%)  | 7-8                                  | 6-7                               | 6.2    |

xiii. **Pininfarina S.p.A. Stock Option Plan (SOP) 2016 - 2023:**

Pininfarina S.p.A. has instituted 'Stock Option Plan 2016-2023' for employees of Pininfarina S.p.A. The options can be exercised over a period of 7 years from the date of grant (November 21, 2016) each option carries with it the right to purchase one equity share of Pininfarina S.p.A. at the exercise price determined by Pininfarina S.p.A.

The vesting period of the SOP Pininfarina S.p.A. 2016 – 2023 is as follows:

| Vesting percentage of options     |                       |
|-----------------------------------|-----------------------|
| Service period from date of grant | SOP 2016 and SOP 2023 |
| 12 months                         | 33.33%                |
| 24 months                         | 33.33%                |
| 36 months                         | 33.33%                |

Pininfarina S.p.A has instituted 'Stock Option Plan 2016-2023' for which 2,225,925 equity shares were earmarked.

- xiv. The fair value of SOP Pininfarnia S.p.A 2016 – 2023 option is estimated on the date of grant based on the following assumptions (on weighted average basis):

| Particulars                  | For the year ended |                |
|------------------------------|--------------------|----------------|
|                              | *March 31, 2019    | March 31, 2018 |
| Weighted average share price | -                  | Euro 0.9959    |
| Exercise price               | -                  | Euro 1.1       |
| Expected Volatility (%)      | -                  | 80             |
| Expected life                | -                  | 3.3 Years      |
| Expected dividend (%)        | -                  | 0              |
| Risk free interest rate (%)  | -                  | (0.41)         |

\*There are no grants in FY 2018-19

The Black and Scholes valuation model has been used for computing the weighted average fair value.

## 56 Earnings Per Share is calculated as follows:

₹ in Million except earnings per share

| Particulars                                                                            | For the year ended |                |
|----------------------------------------------------------------------------------------|--------------------|----------------|
|                                                                                        | March 31, 2019     | March 31, 2018 |
| Net Profit attributable to shareholders after taxation                                 | 42,976             | 37,998         |
| Equity Shares outstanding as at the end of the year (in nos.) #                        | 889,307,673        | 883,318,628    |
| Weighted average Equity Shares outstanding as at the end of the year (in nos.) #       | 886,568,498        | 883,261,979    |
| Add: Dilutive impact of employee stock options                                         | 8,473,480          | 7,365,157      |
| Add: Dilutive impact for Buy Back (refer note 19(vi))                                  | 5,542,563          | -              |
| Number of Equity Shares used as denominator for calculating Diluted Earnings Per Share | 900,584,541        | 890,627,136    |
| Nominal Value per Equity Share (in ₹)                                                  | 5.00               | 5.00           |
| - Earnings Per Share (Basic) (in ₹)                                                    | 48.47              | 43.02          |
| - Earnings Per Share (Diluted) (in ₹)                                                  | 47.72              | 42.66          |

# includes adjustment for vested options exercisable for little or no consideration

## 57 Ind AS 108 establishes standards for the way that companies report information about their operating segments and related disclosures, as applicable about products and services, geographic areas, and major customers.

Based on the “management approach” as defined in Ind AS 108, the management evaluates the Group’s performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments and geographic segments.

The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies. Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Certain expenses such as depreciation and finance cost, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably. Management believes that it is not practical to provide segment disclosures relating to those expenses, and accordingly these expenses are separately disclosed as “unallocated” and adjusted against the operating income of the Group.

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group’s chief operating decision maker is the Managing Director and Chief Executive Officer.

The Group has identified business segments as reportable segments. Accordingly, Information Technology (IT) Business and Business Processing Outsourcing (BPO) has been disclosed as business segments. Geographical information on revenue and business segment revenue information is collated based on individual customers invoiced or in relation to which the revenue is otherwise recognized.

Segregation of assets (except trade and other receivables), liabilities, depreciation and other non-cash expenses into various business 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 as the same will not be meaningful.

Information on reportable segments for the year ended March 31, 2019 is given below:

**A. Business Segments**

₹ in Million

| Particulars                           | For the year ended |               |                |                |               |                |
|---------------------------------------|--------------------|---------------|----------------|----------------|---------------|----------------|
|                                       | March 31, 2019     |               |                | March 31, 2018 |               |                |
|                                       | IT<br>Services     | BPO           | Total          | IT<br>Services | BPO           | Total          |
| <b>Revenue</b>                        | <b>319,235</b>     | <b>28,186</b> | <b>347,421</b> | <b>285,715</b> | <b>22,014</b> | <b>307,729</b> |
| Direct Expenses                       | 261,097            | 22,955        | 284,052        | 242,719        | 17,914        | 260,633        |
| Segmental Operating Income            | 58,138             | 5,231         | 63,369         | 42,996         | 4,100         | 47,096         |
| Less : Unallocable Expenses           |                    |               |                |                |               |                |
| Finance Costs                         |                    |               | 1,332          |                |               | 1,624          |
| Depreciation and amortisation expense |                    |               | 11,292         |                |               | 10,850         |
| Total Unallocable Expenses            |                    |               | 12,624         |                |               | 12,474         |
| Operating Income                      |                    |               | 50,745         |                |               | 34,622         |
| Other Income                          |                    |               | 5,342          |                |               | 14,165         |
| Share in Profit/(Loss) of Associate   |                    |               | (655)          |                |               | 1              |
| Profit before Tax                     |                    |               | 55,432         |                |               | 48,788         |
| Provision for Taxation:               |                    |               |                |                |               |                |
| Current tax and deferred tax          |                    |               | 12,544         |                |               | 10,926         |
| Profit for the year attributable to:  |                    |               |                |                |               |                |
| Owners of the Company                 |                    |               | 42,976         |                |               | 37,998         |
| Non-Controlling Interest              |                    |               | (88)           |                |               | (136)          |

₹ in Million

| Statement of segment Assets and Liabilities | March 31, 2019 | March 31, 2018 |
|---------------------------------------------|----------------|----------------|
| <b>Segment Assets</b>                       |                |                |
| <b>Trade and Other Receivables</b>          |                |                |
| IT                                          | 94,141         | 84,461         |
| BPO                                         | 7,348          | 6,182          |
| <b>Total Trade Receivables</b>              | <b>101,489</b> | <b>90,643</b>  |
| <b>Goodwill</b>                             |                |                |
| IT                                          | 24,419         | 23,982         |
| BPO                                         | 3,745          | 3,745          |
| <b>Total Goodwill</b>                       | <b>28,163</b>  | <b>27,727</b>  |
| Unallocable Assets                          | 204,816        | 186,002        |
| <b>TOTAL ASSETS</b>                         | <b>334,469</b> | <b>304,372</b> |
| <b>Segment Liabilities</b>                  |                |                |
| <b>Unearned revenue</b>                     |                |                |
| IT                                          | 2,453          | 2,752          |
| BPO                                         | 39             | -              |
| <b>Total Unearned revenue</b>               | <b>2,492</b>   | <b>2,752</b>   |
| <b>Advance from customer</b>                |                |                |
| IT                                          | 3,314          | 3,336          |
| BPO                                         | 648            | -              |
| <b>Advance from customer</b>                | <b>3,962</b>   | <b>3,336</b>   |
| Unallocable Liabilities                     | 120,394        | 104,765        |
| <b>TOTAL LIABILITIES</b>                    | <b>126,848</b> | <b>110,853</b> |

## B. Revenues as per geographies

₹ in Million

| Geography     | For the year ended |                |
|---------------|--------------------|----------------|
|               | March 31, 2019     | March 31, 2018 |
| Americas      | 164,065            | 143,391        |
| Europe region | 101,646            | 91,695         |
| India         | 22,286             | 17,991         |
| Rest of world | 59,424             | 54,652         |
| <b>Total</b>  | <b>347,421</b>     | <b>307,729</b> |

During the year ended March 31, 2019 one customer individually accounted for more than 10% of the revenue.

Management believes that it is currently not practicable to provide disclosure of geographical location wise assets.

## 58. Disclosures required by Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 (4) of the Companies Act, 2013

### a. Amount of investments outstanding as at March 31, 2019 include:

| Name of the company                             | Outstanding as at March 31, 2019 / March 31, 2018 | Maximum amount outstanding during the year |
|-------------------------------------------------|---------------------------------------------------|--------------------------------------------|
| Mahindra Rural Housing Finance LTD              | 1,000                                             | 1,000                                      |
|                                                 | -                                                 | -                                          |
| Mahindra Happinest Developers Limited           | -                                                 | 250                                        |
|                                                 | 250                                               | -                                          |
| Mahindra World City Jaipur Limited              | -                                                 | 500                                        |
|                                                 | -                                                 | -                                          |
| Mahindra Life Space Developers Limited          | -                                                 | 250                                        |
|                                                 | 250                                               | -                                          |
| Mahindra & Mahindra Financials Services Limited | 4,000                                             | 4,000                                      |
|                                                 | 1,000                                             | 1,000                                      |
| HDFC Limited                                    | 2,000                                             | 4,000                                      |
|                                                 | 4,000                                             | 4,000                                      |
| Bajaj Finance Limited                           | 4,000                                             | 4,000                                      |
|                                                 | -                                                 | -                                          |

### b. For other investments refer note 7 and 13.

## 59. Additional Information pursuant to para 2 of general instructions for the preparation of consolidated financial statements:

| Name of the entity                                                         | Parent Company / Subsidiaries / Associate / Joint Venture | Indian / Foreign | Net Assets, i.e. total assets minus total liabilities |                                 |                         | Share in profit or loss |                                     |                         | Share in other comprehensive income |                                                 |                         | Share in other total comprehensive income |                                                 |                         |
|----------------------------------------------------------------------------|-----------------------------------------------------------|------------------|-------------------------------------------------------|---------------------------------|-------------------------|-------------------------|-------------------------------------|-------------------------|-------------------------------------|-------------------------------------------------|-------------------------|-------------------------------------------|-------------------------------------------------|-------------------------|
|                                                                            |                                                           |                  | FY. 2018-2019                                         | As % of consolidated Net Assets | INR Amount (In Million) | FY. 2017-2018           | As % of consolidated Profit or Loss | INR Amount (In Million) | FY. 2018-2019                       | As % of consolidated other comprehensive income | INR Amount (In Million) | FY. 2017-2018                             | As % of consolidated other comprehensive income | INR Amount (In Million) |
| <b>Parent Company</b>                                                      |                                                           |                  |                                                       |                                 |                         |                         |                                     |                         |                                     |                                                 |                         |                                           |                                                 |                         |
| Tech Mahindra Limited (refer note (4) below)                               | Parent Company                                            | Indian           | 101.79%                                               | 103.71%                         | 206,474                 | 195,348                 | 102.14%                             | 43,804                  | 68.84%                              | 1,670                                           | 191,64%                 | 100.35%                                   | 45,474                                          | 35,797                  |
| <b>Subsidiaries</b>                                                        |                                                           |                  |                                                       |                                 |                         |                         |                                     |                         |                                     |                                                 |                         |                                           |                                                 |                         |
| Tech Mahindra Business Services Limited                                    | Subsidiary                                                | Indian           | 1.88%                                                 | 2.05%                           | 3,817                   | 3,865                   | 1.53%                               | 655                     | 0.84%                               | 20                                              | 1,44%                   | 1.49%                                     | 675                                             | 777                     |
| Comviva Technologies Limited                                               | Subsidiary                                                | Indian           | 3.24%                                                 | 3.05%                           | 6,577                   | 5,748                   | 1.92%                               | 825                     | 0.16%                               | 4                                               | 0.65%                   | 1.83%                                     | 829                                             | 2,56%                   |
| Tech Mahindra Benefit Trust                                                | Subsidiary                                                | Indian           | 11.69%                                                | 12.58%                          | 23,705                  | 23,705                  | 3.13%                               | 1,344                   | 0.00%                               | -                                               | 0.00%                   | 2.97%                                     | 1,344                                           | 2,42%                   |
| Satyam Associates Trust                                                    | Subsidiary                                                | Indian           | 0.01%                                                 | 0.03%                           | 24                      | 19                      | 0.01%                               | 5                       | 0.00%                               | -                                               | 0.00%                   | 0.01%                                     | 5                                               | -0.01%                  |
| Mahindra Engineering Services ESOP Trust                                   | Subsidiary                                                | Indian           | 0.03%                                                 | 0.03%                           | 52                      | 50                      | 0.01%                               | 3                       | 0.00%                               | -                                               | 0.00%                   | 0.01%                                     | 3                                               | 0.01%                   |
| Satyam Venture Engineering Services Private Limited                        | Subsidiary                                                | Indian           | 1.04%                                                 | 0.92%                           | 2,100                   | 1,738                   | 0.80%                               | 343                     | -0.10%                              | (2)                                             | 0.26%                   | 0.75%                                     | 340                                             | 0.68%                   |
| Fixstream India Private Limited                                            | Subsidiary                                                | Indian           | 0.02%                                                 | 0.01%                           | 36                      | 26                      | 0.02%                               | 10                      | 0.00%                               | 0                                               | (0.00)                  | 0.02%                                     | 10                                              | 0.02%                   |
| Tech Mahindra Growth Factories Limited                                     | Subsidiary                                                | Indian           | 0.00%                                                 | 0.00%                           | 2                       | 8                       | -0.03%                              | (14)                    | 0.02%                               | 0                                               | -0.09%                  | -0.03%                                    | (14)                                            | -0.16%                  |
| <b>Foreign</b>                                                             |                                                           |                  |                                                       |                                 |                         |                         |                                     |                         |                                     |                                                 |                         |                                           |                                                 |                         |
| Tech Mahindra (Americas) Inc., USA (refer note (4) below)                  | Subsidiary                                                | Foreign          | 9.93%                                                 | 9.26%                           | 20,148                  | 17,443                  | 5.94%                               | 2,548                   | 58.39%                              | 1,416                                           | -17.51%                 | 8.75%                                     | 3,965                                           | 3,148                   |
| Tech Talenta Inc                                                           | Subsidiary                                                | Foreign          | 0.14%                                                 | 0.09%                           | 275                     | 176                     | 0.21%                               | 89                      | 0.40%                               | 10                                              | -0.06%                  | 0.22%                                     | 99                                              | 0.18%                   |
| Lightbridge Communications Corporation (refer note (2), (3) and (4) below) | Subsidiary                                                | Foreign          | -0.27%                                                | 0.25%                           | (551)                   | 477                     | -3.50%                              | (1,501)                 | 19.48%                              | 473                                             | 29.06%                  | -2.27%                                    | (1,028)                                         | (321)                   |
| Comviva Technologies Inc. (refer note (3) below)                           | Subsidiary                                                | Foreign          | 0.00%                                                 | 0.01%                           | -                       | 20                      | -0.01%                              | (5)                     | 0.00%                               | -                                               | 0.00%                   | -0.01%                                    | (5)                                             | 0.00%                   |
| Comviva Technologies FZ LLC                                                | Subsidiary                                                | Foreign          | 0.12%                                                 | 0.11%                           | 236                     | 206                     | 0.04%                               | 17                      | 0.00%                               | -                                               | 0.00%                   | 0.04%                                     | 17                                              | 0.29%                   |
| Comviva Technologies Nigeria Ltd.                                          | Subsidiary                                                | Foreign          | 0.05%                                                 | 0.04%                           | 91                      | 76                      | 0.02%                               | 10                      | 0.00%                               | -                                               | 0.00%                   | 0.02%                                     | 10                                              | -0.03%                  |
| Hedonomark (Management Services) Limited                                   | Subsidiary                                                | Foreign          | -0.15%                                                | -0.12%                          | (311)                   | (233)                   | -0.13%                              | (57)                    | 0.00%                               | -                                               | 0.00%                   | -0.13%                                    | (57)                                            | -0.29%                  |
| Comviva Technologies Singapore Pte. Ltd                                    | Subsidiary                                                | Foreign          | 0.01%                                                 | 0.01%                           | 15                      | 18                      | -0.01%                              | (4)                     | 0.00%                               | -                                               | 0.00%                   | -0.01%                                    | (4)                                             | -0.01%                  |
| Comviva Technologies Netherlands BV                                        | Subsidiary                                                | Foreign          | -0.15%                                                | -0.09%                          | (312)                   | (161)                   | -0.41%                              | (177)                   | 0.00%                               | -                                               | 0.00%                   | -0.39%                                    | (177)                                           | (94)                    |
| Terra Payment Services (Netherlands) BV                                    | Subsidiary                                                | Foreign          | 0.01%                                                 | 0.03%                           | 30                      | 55                      | -0.06%                              | (26)                    | 0.00%                               | -                                               | 0.00%                   | -0.06%                                    | (26)                                            | -0.04%                  |
| Terra Payment Services (Tanzania) Limited                                  | Subsidiary                                                | Foreign          | -0.00%                                                | -0.00%                          | (4)                     | (1)                     | -0.01%                              | (3)                     | 0.00%                               | -                                               | 0.00%                   | -0.01%                                    | (3)                                             | -0.00%                  |
| Terra Payment Services (UK) Limited                                        | Subsidiary                                                | Foreign          | 0.00%                                                 | 0.00%                           | 3                       | 8                       | -0.02%                              | (10)                    | 0.00%                               | -                                               | 0.00%                   | -0.02%                                    | (10)                                            | -0.01%                  |
| Terra Payment Services (Uganda) Limited                                    | Subsidiary                                                | Foreign          | -0.00%                                                | -0.00%                          | (1)                     | (4)                     | 0.01%                               | 3                       | 0.00%                               | -                                               | 0.00%                   | 0.01%                                     | 3                                               | 0.00%                   |
| Terra Payment Services (Mauritius)                                         | Subsidiary                                                | Foreign          | -0.01%                                                | -0.01%                          | (14)                    | (11)                    | -0.01%                              | (3)                     | 0.00%                               | -                                               | 0.00%                   | -0.01%                                    | (3)                                             | -0.03%                  |
| Terra Payment Services Botswana (PTY) Limited                              | Subsidiary                                                | Foreign          | -0.00%                                                | -0.00%                          | (1)                     | (0)                     | -0.00%                              | (0)                     | 0.00%                               | -                                               | 0.00%                   | -0.00%                                    | (0)                                             | -0.00%                  |
| Terra Payment Services South Africa (PTY) Limited                          | Subsidiary                                                | Foreign          | 0.01%                                                 | 0.01%                           | 22                      | 27                      | -0.00%                              | (1)                     | 0.00%                               | -                                               | 0.00%                   | -0.00%                                    | (1)                                             | -0.00%                  |
| Terra Payment Services S.A.R.L. (Congo B)                                  | Subsidiary                                                | Foreign          | -0.00%                                                | -0.00%                          | (1)                     | (0)                     | -0.00%                              | (1)                     | 0.00%                               | -                                               | 0.00%                   | -0.00%                                    | (1)                                             | -0.00%                  |
| Terra Payment Services S.A.R.L. (DRC)                                      | Subsidiary                                                | Foreign          | 0.00%                                                 | 0.00%                           | 0                       | 1                       | -0.00%                              | (1)                     | 0.00%                               | -                                               | 0.00%                   | -0.00%                                    | (1)                                             | 0.00%                   |
| Terra Payment Services S.A.R.L. (Senegal)                                  | Subsidiary                                                | Foreign          | -0.00%                                                | -0.00%                          | (0)                     | (0)                     | -0.00%                              | (0)                     | 0.00%                               | -                                               | 0.00%                   | -0.00%                                    | (0)                                             | -0.00%                  |
| Mobex Money Transfer Services Limited                                      | Subsidiary                                                | Foreign          | 0.01%                                                 | 0.01%                           | 16                      | 15                      | -0.00%                              | (1)                     | 0.00%                               | -                                               | 0.00%                   | -0.00%                                    | (1)                                             | -0.00%                  |

| Name of the entity                                                                               | Parent Company / Subsidiaries / Associate / Joint Venture | Indian / Foreign | Net Assets, i.e., total assets minus total liabilities |                                 |                         | Share in profit or loss |                                     |                         | Share in other comprehensive income |                                                 |                         | Share in other Total comprehensive income |                                                 |                         |                |                                           |                         |       |
|--------------------------------------------------------------------------------------------------|-----------------------------------------------------------|------------------|--------------------------------------------------------|---------------------------------|-------------------------|-------------------------|-------------------------------------|-------------------------|-------------------------------------|-------------------------------------------------|-------------------------|-------------------------------------------|-------------------------------------------------|-------------------------|----------------|-------------------------------------------|-------------------------|-------|
|                                                                                                  |                                                           |                  | F.Y. 2018-2019                                         | As % of consolidated Net Assets | INR Amount (In Million) | F.Y. 2017-2018          | As % of consolidated Profit or Loss | INR Amount (In Million) | F.Y. 2018-2019                      | As % of consolidated other comprehensive income | INR Amount (In Million) | F.Y. 2017-2018                            | As % of consolidated other comprehensive income | INR Amount (In Million) | F.Y. 2018-2019 | As % of consolidated comprehensive income | INR Amount (In Million) |       |
| Comviva Technologies Colombia S.A.S                                                              | Subsidiary                                                | Foreign          | 0.00%                                                  | 3                               | 0.00%                   | 0                       | 0.01%                               | 3                       | -0.02%                              | (7)                                             | 0.00%                   | -                                         | 0.00%                                           | -                       | 0.01%          | 3                                         | -0.02%                  | (7)   |
| Comviva Technologies (Australia) Pty. Ltd                                                        | Subsidiary                                                | Foreign          | -0.05%                                                 | (92)                            | -0.03%                  | (50)                    | -0.09%                              | (40)                    | -0.13%                              | (50)                                            | 0.00%                   | -                                         | 0.00%                                           | -                       | -0.09%         | (40)                                      | -0.14%                  | (50)  |
| Emagine International Pvt. Ltd.                                                                  | Subsidiary                                                | Foreign          | 0.12%                                                  | 241                             | 0.05%                   | 89                      | -0.09%                              | (37)                    | 0.23%                               | 89                                              | 0.00%                   | -                                         | 0.00%                                           | -                       | -0.08%         | (37)                                      | 0.25%                   | 89    |
| Comviva Technologies Mexico, S. de R.L. de C.V.                                                  | Subsidiary                                                | Foreign          | 0.00%                                                  | -                               | 0.00%                   | -                       | 0.00%                               | -                       | 0.00%                               | -                                               | 0.00%                   | -                                         | 0.00%                                           | -                       | 0.00%          | -                                         | 0.00%                   | -     |
| Terra Payment Services (India) Private Limited                                                   | Subsidiary                                                | Indian           | 0.00%                                                  | -                               | 0.00%                   | -                       | 0.00%                               | -                       | 0.00%                               | -                                               | 0.00%                   | -                                         | 0.00%                                           | -                       | 0.00%          | -                                         | 0.00%                   | -     |
| Comviva Technologies Madagascar Sarlu.                                                           | Subsidiary                                                | Foreign          | 0.01%                                                  | 21                              | 0.01%                   | 13                      | 0.02%                               | 9                       | 0.03%                               | 13                                              | 0.00%                   | -                                         | 0.00%                                           | -                       | 0.02%          | 9                                         | 0.04%                   | 13    |
| Terrapay Services (UK) Limited (refer note (3) below)                                            | Subsidiary                                                | Foreign          | 0.00%                                                  | -                               | 0.00%                   | -                       | 0.00%                               | -                       | 0.00%                               | -                                               | 0.00%                   | -                                         | 0.00%                                           | -                       | 0.00%          | -                                         | 0.00%                   | -     |
| Comviva Technologies (Argentina) S.A. (formerly, ATIS Advanced Technology Solutions S.A.)        | Subsidiary                                                | Foreign          | 0.04%                                                  | 91                              | -0.04%                  | (73)                    | 0.10%                               | 44                      | -0.21%                              | (81)                                            | 0.00%                   | -                                         | 0.00%                                           | -                       | 0.06%          | 28                                        | -0.23%                  | (81)  |
| ATIS Advanced Technologies Solutions do Brasil Industria, Comercio, importacao y Exportacao LTDA | Subsidiary                                                | Foreign          | -0.04%                                                 | (90)                            | -0.05%                  | (89)                    | -0.02%                              | (9)                     | -0.29%                              | (110)                                           | 0.00%                   | -                                         | 0.00%                                           | -                       | -0.02%         | (9)                                       | -0.31%                  | (110) |
| YABX Technologies (Netherlands) BV (refer note, (6) below)                                       | Subsidiary                                                | Foreign          | -0.00%                                                 | (4)                             | 0.00%                   | -                       | -0.01%                              | (4)                     | 0.00%                               | -                                               | 0.00%                   | -                                         | 0.00%                                           | -                       | -0.01%         | (4)                                       | 0.00%                   | -     |
| Satyam Venture Engineering Services (Shanghai) Co. Ltd.                                          | Subsidiary                                                | Foreign          | 0.04%                                                  | 73                              | 0.01%                   | 25                      | 0.00%                               | 0                       | 0.03%                               | 11                                              | 0.00%                   | -                                         | 0.00%                                           | -                       | 0.00%          | 0                                         | 0.03%                   | 11    |
| Savayam GmbH (Formerly known as Satyam Venture Engineering Services GmbH)                        | Subsidiary                                                | Foreign          | 0.02%                                                  | 43                              | 0.00%                   | 8                       | 0.01%                               | 5                       | 0.01%                               | 4                                               | 0.00%                   | -                                         | 0.00%                                           | -                       | 0.01%          | 5                                         | 0.01%                   | 4     |
| Tech Mahindra Norway AS                                                                          | Subsidiary                                                | Foreign          | 0.02%                                                  | 38                              | 0.01%                   | 11                      | 0.07%                               | 29                      | 0.03%                               | 10                                              | -0.07%                  | (2)                                       | -0.02%                                          | 1                       | 0.06%          | 27                                        | 0.03%                   | 10    |
| Tech Mahindra GMBH (refer note (4) below)                                                        | Subsidiary                                                | Foreign          | 0.79%                                                  | 1,612                           | 0.65%                   | 1,217                   | 0.88%                               | 378                     | 0.49%                               | 187                                             | -2.47%                  | (60)                                      | -4.87%                                          | 107                     | 0.70%          | 318                                       | 0.82%                   | 293   |
| TechM IT-Services GmbH                                                                           | Subsidiary                                                | Foreign          | 0.00%                                                  | 7                               | 0.00%                   | 6                       | 0.00%                               | 1                       | 0.00%                               | 1                                               | -0.01%                  | (0)                                       | -0.04%                                          | 1                       | 0.00%          | 1                                         | 0.00%                   | 2     |
| Tech Mahindra Business Services GmbH (refer note (4) below)                                      | Subsidiary                                                | Foreign          | 0.00%                                                  | -                               | 0.22%                   | 411                     | 0.00%                               | -                       | 0.00%                               | (37)                                            | 0.00%                   | -                                         | -2.75%                                          | 60                      | 0.00%          | -                                         | 0.07%                   | 24    |
| vCustomer Philippines, Inc. (Cebu)                                                               | Subsidiary                                                | Foreign          | 0.41%                                                  | 822                             | 0.17%                   | 328                     | 0.29%                               | 126                     | 0.12%                               | 46                                              | 0.03%                   | 1                                         | -0.72%                                          | 16                      | 0.28%          | 127                                       | 0.17%                   | 62    |
| vCustomer Philippines (Cebu), Inc.                                                               | Subsidiary                                                | Foreign          | 0.22%                                                  | 438                             | 0.18%                   | 333                     | 0.20%                               | 86                      | 0.20%                               | 75                                              | -0.01%                  | (0)                                       | -0.88%                                          | 19                      | 0.19%          | 86                                        | 0.26%                   | 94    |
| Tech Mahindra (Singapore) Pte Limited                                                            | Subsidiary                                                | Foreign          | 0.15%                                                  | 306                             | 0.14%                   | 266                     | 0.08%                               | 33                      | 0.06%                               | 22                                              | 0.28%                   | 7                                         | -0.79%                                          | 17                      | 0.09%          | 40                                        | 0.11%                   | 39    |
| Tech Mahindra (Thailand) Limited                                                                 | Subsidiary                                                | Foreign          | 0.03%                                                  | 59                              | 0.03%                   | 54                      | 0.01%                               | 3                       | 0.08%                               | 31                                              | 0.11%                   | 3                                         | -0.18%                                          | 4                       | 0.01%          | 6                                         | 0.10%                   | 35    |
| Tech Mahindra Indonesia                                                                          | Subsidiary                                                | Foreign          | 0.24%                                                  | 493                             | 0.42%                   | 787                     | -0.82%                              | (352)                   | -0.08%                              | (29)                                            | 2.38%                   | 58                                        | -0.17%                                          | 4                       | -0.65%         | (294)                                     | -0.07%                  | (25)  |
| Tech Mahindra (Beijing) IT Services Limited                                                      | Subsidiary                                                | Foreign          | 0.02%                                                  | 41                              | 0.02%                   | 34                      | 0.02%                               | 8                       | 0.01%                               | 3                                               | -0.01%                  | (0)                                       | -0.13%                                          | 3                       | 0.02%          | 8                                         | 0.02%                   | 6     |
| Tech Mahindra (Bahrain) Limited (S.P.C)                                                          | Subsidiary                                                | Foreign          | 0.03%                                                  | 70                              | 0.03%                   | 65                      | 0.00%                               | 1                       | 0.00%                               | 1                                               | 0.16%                   | 4                                         | -0.02%                                          | 0                       | 0.01%          | 5                                         | 0.00%                   | 1     |
| Tech Mahindra (Nigeria) Limited                                                                  | Subsidiary                                                | Foreign          | -0.32%                                                 | (657)                           | -0.29%                  | (541)                   | -0.15%                              | (66)                    | -1.02%                              | (387)                                           | -2.01%                  | (49)                                      | -0.20%                                          | 4                       | -0.25%         | (115)                                     | -1.07%                  | (383) |
| Tech Mahindra Holdco Pty Limited (refer note (6) below)                                          | Subsidiary                                                | Foreign          | 0.00%                                                  | -                               | 0.00%                   | -                       | 0.00%                               | -                       | 0.00%                               | -                                               | 0.00%                   | -                                         | 0.00%                                           | -                       | 0.00%          | -                                         | 0.00%                   | -     |
| Tech Mahindra South Africa (Pty) Limited                                                         | Subsidiary                                                | Foreign          | 0.06%                                                  | 116                             | 0.02%                   | 39                      | 0.21%                               | 88                      | 0.18%                               | 68                                              | -0.45%                  | (11)                                      | -0.15%                                          | 3                       | 0.17%          | 77                                        | 0.20%                   | 71    |
| Tech Mahindra Technologies Inc.                                                                  | Subsidiary                                                | Foreign          | 0.22%                                                  | 445                             | 0.09%                   | 174                     | 0.61%                               | 263                     | 0.20%                               | 76                                              | 0.30%                   | 7                                         | -0.05%                                          | 1                       | 0.60%          | 271                                       | 0.22%                   | 77    |
| Tech Mahindra (Shanghai) Co. Limited                                                             | Subsidiary                                                | Foreign          | 0.32%                                                  | 659                             | 0.28%                   | 525                     | 0.32%                               | 137                     | -0.13%                              | (49)                                            | -0.13%                  | (3)                                       | -2.24%                                          | 49                      | 0.29%          | 134                                       | -0.00%                  | (0)   |

| Name of the entity                                                   | Parent Company / Subsidiaries / Associate / Joint Venture | Indian / Foreign | Net Assets, i.e., total assets minus total liabilities |                         |                                 |                         | Share in profit or loss             |                         |                                     |                         | Share in other comprehensive income             |                         |                                                 |                         | Share in other Total comprehensive income       |                         |                                                 |         |
|----------------------------------------------------------------------|-----------------------------------------------------------|------------------|--------------------------------------------------------|-------------------------|---------------------------------|-------------------------|-------------------------------------|-------------------------|-------------------------------------|-------------------------|-------------------------------------------------|-------------------------|-------------------------------------------------|-------------------------|-------------------------------------------------|-------------------------|-------------------------------------------------|---------|
|                                                                      |                                                           |                  | FY. 2018-2019                                          |                         | FY. 2017-2018                   |                         | FY. 2018-2019                       |                         | FY. 2017-2018                       |                         | FY. 2018-2019                                   |                         | FY. 2017-2018                                   |                         | FY. 2018-2019                                   |                         | FY. 2017-2018                                   |         |
|                                                                      |                                                           |                  | 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) | As % of consolidated other comprehensive income | INR Amount (In Million) | As % of consolidated other comprehensive income | INR Amount (In Million) | As % of consolidated other comprehensive income | INR Amount (In Million) | As % of consolidated other comprehensive income |         |
| Citisoft Plc.                                                        | Subsidiary                                                | Foreign          | 0.05%                                                  | 108                     | 0.05%                           | 101                     | 0.02%                               | 8                       | -0.02%                              | (7)                     | 0.01%                                           | 0                       | -0.56%                                          | 12                      | 0.02%                                           | 8                       | 0.02%                                           | 6       |
| Citisoft Inc.                                                        | Subsidiary                                                | Foreign          | 0.22%                                                  | 437                     | 0.22%                           | 422                     | -0.03%                              | (12)                    | -0.07%                              | (25)                    | 1.07%                                           | 26                      | -0.36%                                          | 2                       | 0.03%                                           | 14                      | -0.07%                                          | (23)    |
| Tech Mahindra (Nanjing) Co. Ltd                                      | Subsidiary                                                | Foreign          | 0.05%                                                  | 94                      | 0.05%                           | 88                      | 0.01%                               | 6                       | 0.01%                               | 5                       | -0.02%                                          | (0)                     | -0.08%                                          | 8                       | 0.01%                                           | 6                       | 0.04%                                           | 13      |
| Tech Mahindra Services De Informatica LTDA                           | Subsidiary                                                | Foreign          | 0.05%                                                  | 109                     | 0.05%                           | 92                      | -2.32%                              | (995)                   | -0.62%                              | (235)                   | 1.40%                                           | 34                      | -0.17%                                          | 4                       | -2.12%                                          | (961)                   | -0.65%                                          | (231)   |
| Tech Mahindra ICT Services (Malaysia) SDN BHD                        | Subsidiary                                                | Foreign          | 0.47%                                                  | 952                     | 0.62%                           | 1,161                   | 0.68%                               | 294                     | 0.10%                               | 37                      | 0.06%                                           | 2                       | -6.85%                                          | 150                     | 0.65%                                           | 296                     | 0.52%                                           | 187     |
| Tech Mahindra De Mexico S DE RL DE CV                                | Subsidiary                                                | Foreign          | 0.08%                                                  | 156                     | 0.05%                           | 97                      | 0.14%                               | 59                      | 0.08%                               | 29                      | 0.01%                                           | 0                       | -0.11%                                          | 2                       | 0.13%                                           | 59                      | 0.09%                                           | 31      |
| FixStream Networks Inc.                                              | Subsidiary                                                | Foreign          | -0.71%                                                 | (1,444)                 | -0.54%                          | (1,021)                 | -0.85%                              | (365)                   | -2.52%                              | (952)                   | -2.42%                                          | (59)                    | 0.50%                                           | (11)                    | -0.93%                                          | (423)                   | -2.70%                                          | (963)   |
| Mahindra Technologies Services Inc.                                  | Subsidiary                                                | Foreign          | 0.04%                                                  | 81                      | 0.04%                           | 76                      | 0.00%                               | 0                       | 0.01%                               | 3                       | 0.19%                                           | 5                       | -0.02%                                          | 0                       | 0.01%                                           | 5                       | 0.01%                                           | 4       |
| Mahindra Engineering Services (Europe) Limited.                      | Subsidiary                                                | Foreign          | 1.12%                                                  | 2,271                   | 0.10%                           | 185                     | 0.03%                               | 12                      | -0.00%                              | (1)                     | -0.13%                                          | (3)                     | -1.02%                                          | 22                      | 0.02%                                           | 9                       | 0.06%                                           | 21      |
| Inter Informatics (refer note (3) below)                             | Subsidiary                                                | Foreign          | 0.00%                                                  | 6                       | 0.00%                           | -                       | -0.02%                              | (10)                    | 0.00%                               | -                       | -0.00%                                          | (0)                     | 0.00%                                           | -                       | -0.02%                                          | (10)                    | 0.00%                                           | -       |
| K Vision Co. Ltd                                                     | Subsidiary                                                | Foreign          | -0.01%                                                 | (21)                    | 0.00%                           | -                       | 0.00%                               | 0                       | 0.00%                               | -                       | -0.00%                                          | (0)                     | 0.00%                                           | -                       | 0.00%                                           | 0                       | 0.00%                                           | -       |
| Sorgen Holdings Limited (refer note (2), (3) and (4) below)          | Subsidiary                                                | Foreign          | -0.23%                                                 | (462)                   | -0.29%                          | (547)                   | 0.35%                               | 148                     | -0.78%                              | (295)                   | -2.63%                                          | (64)                    | 2.44%                                           | (53)                    | 0.19%                                           | 85                      | -0.98%                                          | (349)   |
| Ninth Dimension                                                      | Subsidiary                                                | Foreign          | 0.00%                                                  | 8                       | -0.09%                          | (177)                   | -0.11%                              | (45)                    | -0.20%                              | (78)                    | 0.14%                                           | 3                       | 0.78%                                           | (17)                    | -0.09%                                          | (42)                    | -0.27%                                          | (95)    |
| Tech Mahindra DRC SARLU                                              | Subsidiary                                                | Foreign          | -0.07%                                                 | (146)                   | -0.06%                          | (108)                   | -0.08%                              | (33)                    | -0.18%                              | (68)                    | -0.20%                                          | (5)                     | -0.48%                                          | 11                      | -0.08%                                          | (38)                    | -0.16%                                          | (57)    |
| Tech Mahindra Arabia Limited                                         | Subsidiary                                                | Foreign          | -0.04%                                                 | (81)                    | -0.01%                          | (21)                    | -0.14%                              | (59)                    | -0.03%                              | (12)                    | -0.03%                                          | (1)                     | 0.01%                                           | (0)                     | -0.13%                                          | (60)                    | -0.03%                                          | (12)    |
| Tech Mahindra Netherlands B.V.                                       | Subsidiary                                                | Foreign          | 0.01%                                                  | 19                      | 0.01%                           | 13                      | 0.02%                               | 7                       | 0.01%                               | 5                       | -0.03%                                          | (1)                     | -0.07%                                          | 1                       | 0.01%                                           | 6                       | 0.02%                                           | 6       |
| Tech Mahindra Sweden AB                                              | Subsidiary                                                | Foreign          | 0.02%                                                  | 42                      | 0.01%                           | 24                      | 0.05%                               | 21                      | 0.04%                               | 15                      | -0.08%                                          | (2)                     | -0.04%                                          | 1                       | 0.04%                                           | 19                      | 0.04%                                           | 16      |
| Tech Mahindra Fintech Holdings Limited                               | Subsidiary                                                | Foreign          | 4.35%                                                  | 9,220                   | 4.98%                           | 9,385                   | -0.02%                              | (10)                    | 0.12%                               | 45                      | 0.16%                                           | 4                       | -42.97%                                         | 941                     | -0.01%                                          | (7)                     | 2.76%                                           | 986     |
| Target Topco Ltd (refer note (2) below)                              | Subsidiary                                                | Foreign          | 1.62%                                                  | 3,286                   | 1.57%                           | 2,953                   | 1.29%                               | 555                     | 0.16%                               | 59                      | -2.25%                                          | (54)                    | -14.15%                                         | 310                     | 1.10%                                           | 500                     | 1.03%                                           | 369     |
| PF Holdings B.V.                                                     | Subsidiary                                                | Foreign          | 2.36%                                                  | 4,781                   | 2.63%                           | 4,957                   | -0.01%                              | -4                      | -0.01%                              | -3                      | 9.92%                                           | 241                     | -28.80%                                         | 631                     | 0.52%                                           | 237                     | 1.76%                                           | 628     |
| Pintarinas S.p.A. (refer note (2), (4) and (6) below)                | Subsidiary                                                | Foreign          | 2.83%                                                  | 5,749                   | 3.17%                           | 5,967                   | -0.13%                              | -56                     | 0.35%                               | 133                     | -7.84%                                          | (190)                   | -22.78%                                         | 499                     | -0.54%                                          | (247)                   | 1.77%                                           | 632     |
| The Bio Agency Limited                                               | Subsidiary                                                | Foreign          | 0.42%                                                  | 849                     | 0.44%                           | 825                     | 0.62%                               | 266                     | -0.22%                              | (83)                    | -0.69%                                          | (17)                    | -3.47%                                          | 76                      | 0.55%                                           | 249                     | -0.02%                                          | (7)     |
| Tech Mahindra Healthcare Systems Holdings LLC (refer note (2) below) | Subsidiary                                                | Foreign          | 3.38%                                                  | 7,258                   | 3.41%                           | 6,430                   | -0.48%                              | (208)                   | 0.02%                               | 8                       | 20.22%                                          | 490                     | -0.55%                                          | 12                      | 0.62%                                           | 283                     | 0.06%                                           | 20      |
| Tech Mahindra Vietnam Company Limited                                | Subsidiary                                                | Foreign          | -0.00%                                                 | (9)                     | 0.00%                           | 1                       | -0.02%                              | (10)                    | -0.01%                              | (3)                     | 0.00%                                           | 0                       | 0.00%                                           | (0)                     | -0.02%                                          | (10)                    | -0.01%                                          | (3)     |
| Tech Mahindra LLC (refer note (6) below)                             | Subsidiary                                                | Foreign          | -0.00%                                                 | (0)                     | 0.00%                           | -                       | -0.00%                              | (0)                     | 0.00%                               | -                       | 0.00%                                           | -                       | 0.00%                                           | -                       | -0.00%                                          | (0)                     | 0.00%                                           | -       |
| Tech Mahindra Chile SpA (refer note (6) below)                       | Subsidiary                                                | Foreign          | 0.00%                                                  | -                       | 0.00%                           | -                       | 0.00%                               | -                       | 0.00%                               | -                       | 0.00%                                           | -                       | 0.00%                                           | -                       | 0.00%                                           | -                       | 0.00%                                           | -       |
| Tech Mahindra France SAS (refer note (3) below)                      | Subsidiary                                                | Foreign          | 0.00%                                                  | -                       | 0.00%                           | 6                       | 0.00%                               | -                       | -0.00%                              | (0)                     | 0.00%                                           | -                       | -0.04%                                          | 1                       | 0.00%                                           | -                       | 0.00%                                           | 0       |
| Tech Mahindra IPR Inc (refer note (4) below)                         | Subsidiary                                                | Foreign          | 0.00%                                                  | -                       | -0.15%                          | (289)                   | 0.00%                               | -                       | -0.27%                              | (103)                   | 0.00%                                           | -                       | 0.10%                                           | (2)                     | 0.00%                                           | -                       | -0.30%                                          | (105)   |
| Tech Mahindra (Malaysia) SDN BHD (refer note (3) below)              | Subsidiary                                                | Foreign          | 0.00%                                                  | -                       | -0.00%                          | (0)                     | 0.00%                               | -                       | -0.00%                              | (1)                     | 0.00%                                           | -                       | -0.03%                                          | 1                       | 0.00%                                           | -                       | -0.00%                                          | (0)     |
| Adjustments arising out of consolidation                             |                                                           |                  | -48.11%                                                | (97,582)                | -45.44%                         | (85,617)                | -12.21%                             | (5,237)                 | -14.22%                             | (5,385)                 | -62.37%                                         | (1,513)                 | 0.60%                                           | (13)                    | -14.90%                                         | (6,750)                 | -15.13%                                         | (5,398) |
| Total                                                                |                                                           |                  | 100.00%                                                | 202,844                 | 100.00%                         | 197,254                 | 100.00%                             | 42,888                  | 100.00%                             | 38,722                  | 100.00%                                         | 2,426                   | 100.00%                                         | (1,622)                 | 100.00%                                         | 45,314                  | 100.00%                                         | 37,154  |
| Minority interest in all Subsidiaries                                |                                                           |                  | 2.36%                                                  | 4,777                   | 2.70%                           | 5,091                   | -0.21%                              | (88)                    | -0.36%                              | (136)                   | -1.06%                                          | -26                     | -13.19%                                         | 289                     | -0.25%                                          | (114)                   | 0.43%                                           | 153     |
| Associates (Investment as per Equity Method) (Refer note (5) below)  |                                                           |                  |                                                        |                         |                                 |                         |                                     |                         |                                     |                         |                                                 |                         |                                                 |                         |                                                 |                         |                                                 |         |
| Foreign Avion Networks, Inc.                                         | Associate                                                 | Foreign          | 0.00%                                                  | -                       | 0.00%                           | -                       | 0.00%                               | -                       | 0.00%                               | -                       | 0.00%                                           | -                       | 0.00%                                           | -                       | 0.00%                                           | -                       | 0.00%                                           | -       |

| Name of the entity            | Parent Company / Subsidiaries / Associate / Joint Venture | Indian / Foreign | Net Assets, i.e., total assets minus total liabilities |                                 |                         | Share in profit or loss |                                     |                         | Share in other comprehensive income |                                                 |                         | Share in other Total comprehensive income |                                           |                         |
|-------------------------------|-----------------------------------------------------------|------------------|--------------------------------------------------------|---------------------------------|-------------------------|-------------------------|-------------------------------------|-------------------------|-------------------------------------|-------------------------------------------------|-------------------------|-------------------------------------------|-------------------------------------------|-------------------------|
|                               |                                                           |                  | F.Y. 2018-2019                                         | As % of consolidated Net Assets | INR Amount (In Million) | F.Y. 2017-2018          | As % of consolidated Profit or Loss | INR Amount (In Million) | F.Y. 2018-2019                      | As % of consolidated other comprehensive income | INR Amount (In Million) | F.Y. 2017-2018                            | As % of consolidated comprehensive income | INR Amount (In Million) |
| SARL Dijazatech               | Associate                                                 | Foreign          | 0.00%                                                  | -                               | -                       | 0.00%                   | -                                   | -                       | 0.00%                               | -                                               | -                       | 0.00%                                     | -                                         | -                       |
| Goodmind SRL                  | Associate                                                 | Foreign          | 0.00%                                                  | 8                               | 0.00%                   | -                       | 0.00%                               | -                       | 0.00%                               | -                                               | -                       | 0.00%                                     | -                                         | -                       |
| Signature Srl                 | Associate                                                 | Foreign          | 0.02%                                                  | 371                             | 0.02%                   | 45                      | 0.00%                               | -                       | 0.00%                               | -                                               | -                       | 0.00%                                     | -                                         | -                       |
| AltioStar Networks, Inc       | Associate                                                 | Foreign          | 0.16%                                                  | 316                             | 0.51%                   | 958                     | 0.00%                               | -                       | 0.00%                               | -                                               | -                       | 0.00%                                     | -                                         | -                       |
| IQS Information Solutions WLL | Associate                                                 | Foreign          | 0.00%                                                  | -                               | -                       | 0.00%                   | -                                   | -                       | 0.00%                               | -                                               | -                       | 0.00%                                     | -                                         | -                       |

#### Notes:

1. Refer note 35 for the entities which has not been considered for consolidation.
2. These numbers are including their subsidiaries and associates, if any.
3. Following subsidiaries have been liquidated/dissolved as per the laws of the domicile countries.
  - Corniva Technologies INC USA w.e.f. March 27, 2019
  - Terapay Services (UK) Limited w.e.f. March 26, 2019
  - Inter-Informatics s.r.o w.e.f. February 13, 2019
  - Tech Mahindra France SAS w.e.f. December 31, 2017
  - Tech Mahindra (Malaysia) SDN BHD
  - Sofgen Sdn Bhd, Malaysia
  - Sofgen Services Limited w.e.f. October 25, 2018
  - Sofgen Limited w.e.f. May 16, 2018
  - Sofgen Americas Inc w.e.f. June 11, 2018
  - Sofgen West Africa Limited w.e.f. August 17, 2018
  - LCC India Private Limited w.e.f. August 9, 2018
  - LCC Diseño y Servicios de RED Peru S.R.L. w.e.f. November 16, 2018
4. Following subsidiaries have been merged as per the laws of the domicile countries during the year
  - Tech Mahindra IPR Inc has been merged with Tech Mahindra (Americas) Inc. w.e.f. September 1, 2018
  - Tech Mahindra Network Design Services, Inc. has been merged with Tech Mahindra Network Services International, Inc w.e.f. February 17, 2019
  - LCC Projects B.V. has been merged with LCC Network Services BV w.e.f. November 6, 2018
  - LCC Middle East Holdings Inc. has been merged with Lightbridge Communications Corporation w.e.f. November 15, 2018
  - Piniinfarina Extra S.r.l. has been merged with Piniinfarina S.p.A.w.e.f. January 1, 2019
  - Sofgen Americas Inc has been merged with Tech Mahindra (Americas) Inc w.e.f. June 11, 2018
  - Sofgen India Limited has been merged with Tech Mahindra Limited w.e.f. August 17, 2018
  - Sofgen (UK) Limited has been merged with Tech Mahindra Limited w.e.f. April 1, 2018
  - Tech Mahindra Business Services GmbH has been merged with Tech Mahindra GmbH w.e.f. July 1, 2017
5. Amounts represent carrying value of investment in associates as per equity method
6. Following entities has been incorporated during the year
  - Tech Mahindra Holdco Pty Limited w.e.f. August 15, 2018
  - Tech Mahindra LLC w.e.f. June 14, 2018
  - Tech Mahindra Chile SpA w.e.f. December 17, 2018
  - YABX Technologies (Netherlands) B.V. w.e.f. June 4, 2018
  - Stichting YABX ESOP w.e.f. August 7, 2018

## 60. Previous year figures have been regrouped wherever necessary, to correspond with the current year's classification / disclosure.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration No.101248W/W-100022

Jamil Khatri

Partner

Membership No.102527

Anand G. Mahindra

Chairman

Anupam Puri

Director

V S Parthasarathy

Director

Ulhas N. Yargop

Director

Manoj Bhat

Chief Financial Officer

Mumbai, India, May 21, 2019

For Tech Mahindra Limited

C. P. Gurnani

Managing Director & CEO

M. Damodaran

Director

Ravindra Kulkarni

Director

Mukti Khaire

Director

M. Rajyalakshmi Rao

Director

T. N. Manoharan

Director

Anil Khatri

Company Secretary

## GLOSSARY

|                   |                                                             |
|-------------------|-------------------------------------------------------------|
| AI                | Artificial Intelligence                                     |
| aPaaS             | application platform as a service                           |
| AR                | Augmented reality                                           |
| AS9100 Rev D      | Quality Management Systems for Aerospace industry           |
| AUD               | Australian Dollar                                           |
| BE                | Business Excellence                                         |
| BFSI              | Banking Financial Services & Insurance                      |
| BPM               | Business Process Management                                 |
| Bps               | Basis points                                                |
| BSE               | BSE Limited                                                 |
| Bus               | Business Units                                              |
| C.A.R.E.          | Connect with Associates and Resolve with Engagement         |
| CA                | Current Assets                                              |
| CAPEX             | Capital Expenditure                                         |
| CaPS              | Customer as Promoter Score                                  |
| CDP               | Carbon Disclosure Project                                   |
| CII               | Confederation of Indian Industry                            |
| CIO               | Chief Information Officer                                   |
| CIRO              | Chief Information Risk Officer                              |
| CL                | Current Liabilities                                         |
| CMMI Dev v1.3, L5 | Capability Maturity Model Integration - Development         |
| CoEs              | Centers of Excellence                                       |
| COGS              | Cost of Goods Sold                                          |
| CPCB              | Central Pollution Control Board                             |
| CQGR              | Compounded Quarterly Growth Rate                            |
| CSR               | Corporate Social Responsibility                             |
| CWIP              | Capital work in Progress                                    |
| CX                | Customer Experience                                         |
| dApps             | Decentralized Apps                                          |
| DEXT              | a cloud based new age learning platform                     |
| DJSI              | Dow Jones Sustainability Index                              |
| DP                | Depository Participant                                      |
| E&U               | Energy and Utility                                          |
| EBIT              | Earnings Before Interest and Tax                            |
| EBITDA            | Earnings Before Interest, Tax Depreciation and Amortization |
| EMS               | Emergency Management System                                 |
| EPS               | Earning Per Share                                           |
| ERP               | Enterprise Resource Planning                                |
| ESG               | Environmental, social and governance                        |
| ESOP/ESOS         | Employee Stock Option Plans / Schemes                       |
| ESRO              | Employee Social Responsibility Options                      |
| GBP               | Great Britain Pound                                         |
| GHG               | Green House Gas                                             |
| GLC               | Global Leadership Cadre                                     |
| GRI               | Global Reporting Initiative                                 |
| HVAC              | Heating, ventilation, and air conditioning                  |
| ICCC              | Integrated Command and Control Centre                       |
| IND AS            | Indian Accounting Standards                                 |
| IoT               | Internet of things                                          |
| IP                | Intellectual Property                                       |
| iPaaS             | integration platform as a service                           |
| ISMS              | Information Security Management System                      |

|                   |                                                             |
|-------------------|-------------------------------------------------------------|
| ISO 13485:2016    | Quality Management Systems for medical devices              |
| ISO 14001:2015    | Environmental Management System                             |
| ISO 20000-1:2011  | Information Technology Service Management System            |
| ISO 22301:2012    | Societal Security and Business Continuity Management System |
| ISO 27001:2013    | Information Security Management System                      |
| ISO 9001:2015     | Quality Management System                                   |
| IT-BPM            | Information Technology and Business Process Management      |
| ITEI              | In-Service Teacher Education Institute                      |
| KMP               | Key Managerial Personnel                                    |
| MEC               | Mahindra Ecole Centrale                                     |
| ML                | Machine Learning                                            |
| MPCB              | Maharashtra Pollution Control Board                         |
| NASSCOM           | National Association of Software and Services Companies     |
| NFV               | Network functions virtualization                            |
| NGOs              | Non Government Organisations                                |
| NPS               | Net Promoter Score                                          |
| NRC               | Nomination and Remuneration Committee                       |
| NSE               | The National Stock Exchange of India Limited                |
| OEMs              | Original Equipment Manufacturers                            |
| OHSAS 18001       | Occupational Health and Safety Management System            |
| PAT               | Profit After Tax                                            |
| PBIT              | Profit Before Interest and Tax                              |
| PBT               | Profit Before Tax                                           |
| ROCE              | Return on Capital Employed                                  |
| RPA               | Robotic process automation                                  |
| RTA               | Registrar and Transfer Agents                               |
| SDN               | Software defined networks                                   |
| SEBI              | Securities and Exchange Board Of India                      |
| SLA               | Service-level agreement                                     |
| SMART             | Skills for Market Training                                  |
| SPCB              | State Pollution Control Board                               |
| TL9000 R 6.1/R5.5 | Quality Management Systems for Communications industry      |
| TMF               | Tech Mahindra Foundation                                    |
| TMW               | The Mahindra Way                                            |
| TRAI              | Telecom Regulatory Authority of India                       |
| UCC               | Unsolicited Commercial Communication                        |
| UNGC              | United Nations Global Compact                               |
| USD               | US Dollars                                                  |
| VR                | Virtual Reality                                             |
| WBCSD             | World Business Council for Sustainable Development          |
| YoY               | Year on Year                                                |
| 2FA               | Two-factor authentication                                   |
| 4G/5G             | Fourth Generation / Fifth Generation                        |

## ASIA PACIFIC

### India

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**Note:** Secretarial and Financial Report section of Annual Report 2018-2019 has been printed on recycled paper as part of our commitment to sustainability.

# Beneficiaries of Tech Mahindra CSR Activities



## Creating world-class healthcare professionals...

Youth getting training to save lives at Tech Mahindra SMART Academies. Muskan Khan, a Medical Lab Technician student at the Tech Mahindra SMART Academy for Healthcare, New Delhi.

## Supporting Children with Disabilities...

Students at ARISE+ (All Round Improvement in School Education) supported by Tech Mahindra Foundation. Sneha. A, beneficiary of TMF centre Mathruchaya learning to read the Braille script at an ARISE+ School. Recently, she passed SSLC (class 10) with 98%.



## Nurturing joy for learning in Teachers...

Tech Mahindra Foundation is committed to teacher empowerment, teacher capacity building and enrichment in learning opportunities for children. Shivangi Singh, Teacher at In-service Teacher Education Institute (ITEI) EDMC School, Mayur Vihar learnt the strategies to using the languages being spoken in her class, as resources.

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## TECH MAHINDRA LIMITED

CIN: L64200MH1986PLC041370

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

Tel.: +91 22 2289 5500 E-mail: investor.relations@techmahindra.com Website: www.techmahindra.com

### NOTICE

**NOTICE** is hereby given that the Thirty Second Annual General Meeting of the members of Tech Mahindra Limited will be held on Wednesday, the 31<sup>st</sup> day of July 2019 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, 2019 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, 2019 and the Report of the Auditors thereon.

**3. Declaration of Dividend**

To declare dividend for the financial year ended 31<sup>st</sup> March, 2019.

**4. Appointment of Mr. V. S. Parthasarathy (DIN: 00125299) as a Director liable to retire by rotation**

To appoint a Director in place of Mr. V. S. Parthasarathy (DIN: 00125299), who retires by rotation and being eligible, offers himself for re-appointment.

#### Special Business:

**5. Appointment of Ms. Mukti Khair (DIN: 08356551) as an Independent Director of the Company**

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 Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 (the "Act") and the Rules framed thereunder, Ms. Mukti Khair (DIN: 08356551), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 19<sup>th</sup> April, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Act, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, read with Schedule IV of the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Ms. Mukti Khair (DIN: 08356551), who qualifies for being appointed as an Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years, commencing from 1<sup>st</sup> August, 2019.

**6. Re-appointment of Mr. M. Damodaran (DIN: 02106990) as an Independent Director 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 149, 150, 152 and other applicable provisions, read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. M. Damodaran (DIN: 02106990) an Independent Director of the Company, whose term of office is up to 31<sup>st</sup> July, 2019 and who is eligible for re-appointment be and is hereby re-appointed as an Independent Director of

the Company, not liable to retire by rotation to hold the office for a second term commencing from 1<sup>st</sup> August, 2019 to 31<sup>st</sup> March, 2022.

**7. Re-appointment of Mr. T. N. Manoharan (DIN: 01186248) as an Independent Director 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 Sections 149, 150, 152 and other applicable provisions, read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. T. N. Manoharan (DIN: 01186248), Independent Director of the Company, whose term of office is up to 31<sup>st</sup> July, 2019 and who is eligible for re-appointment be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold the office for a second term of 5 (five) consecutive years, commencing from 1<sup>st</sup> August, 2019.

**8. Re-appointment of Ms. M. Rajyalakshmi Rao (DIN: 00009420) as an Independent Director 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 Sections 149, 150, 152 and other applicable provisions, read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Ms. M. Rajyalakshmi Rao (DIN: 00009420), Independent Director of the Company, whose term of office is up to 31<sup>st</sup> July, 2019 and who is eligible for re-appointment be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold the office for a second term of 5 (five) consecutive years, commencing from 1<sup>st</sup> August, 2019.

**9. Appointment of Mr. Haigreave Khaitan (DIN: 00005290) as an Independent Director of the Company**

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 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Haigreave Khaitan (DIN: 00005290) who qualifies for being appointed as an Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation for a term of 5 (five) consecutive years, commencing from 1<sup>st</sup> August, 2019.

**10. Appointment of Ms. Shikha Sharma (DIN: 00043265) as an Independent Director of the Company**

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 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Ms. Shikha Sharma (DIN: 00043265) who qualifies for being appointed as an Independent Director be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation for a term of 5 (five) consecutive years, commencing from 1<sup>st</sup> August, 2019.

**11. Approval for payment of Commission to the Directors who are neither in the whole time employment nor the Managing Director.**

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 197 of the Companies Act, 2013 (the "Act") and other applicable provisions and rules framed thereunder, Article 111 of the Articles of Association of the Company, Regulation 17(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a sum not exceeding one per cent per annum of the net profits of the Company, computed in the manner referred to in Section 198 of the Act be paid to the Directors, other than the Managing Director and Whole-time Director(s) of the Company or some or any of them, such amounts or at such proportions and in such manner and in all respects as may be determined by the Board of Directors as commission and such payments shall be made in respect of the profits of the Company for each financial year, for the period of five years commencing from 1<sup>st</sup> April, 2020.

By Order of the Board  
For Tech Mahindra Limited

Place: Mumbai  
Date: 13<sup>th</sup> June, 2019

Anil Khatri  
Company Secretary

**Notes:**

- a. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the "Act") setting out material facts concerning the business under item nos. 5 to 11 of the Notice is Annexed hereto.
- b. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 27<sup>th</sup> July, 2019 to Wednesday, 31<sup>st</sup> July, 2019 (both days inclusive) for the purpose of Annual General Meeting and payment of Dividend to be declared.
- c. **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.**
- d. 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.
- e. 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.
- f. The Company's Registrar and Transfer Agents for its share registry work (Physical and Electronic) are Link Intime India Private Limited (RTA).
- g. Members can avail the facility of nomination in respect of securities held by them in physical form pursuant to the provisions of Section 72 of the Act. 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.
- h. 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) as, in terms of Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), securities of listed companies can be transferred only in dematerialised form with effect from 1<sup>st</sup> April, 2019, except in case of request received for transmission or transposition of securities. Dematerialisation of shares would help to eliminate risks associated with Physical Shares. Members can contact Registrar and Transfer Agents viz., Link Intime India Private Limited, Pune (Tel. No. 020 26160084) for assistance, if any, in this regard.**

- i. The route map for the AGM Venue is provided behind the proxy form of this notice.
- j. 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 account details.
- k. 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 Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA.
- l. Members are requested to refer to the Corporate Governance Report for information in connection with the unpaid / unclaimed dividend, unclaimed sale proceeds of fractional shares along with underlying shares thereto liable to be transferred to Investor Education and Protection Fund (IEPF) administered by the Central Government. Members are requested to refer the website of the Company for the details made available by the Company pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017.

As per Section 124(6) of the Act read with the IEPF Rules as amended from time to time, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more are required to be transferred to an IEPF Demat Account. In case the dividends are not claimed by the respective shareholders, necessary steps will be initiated by the Company to transfer shares held by the members to IEPF along with dividend remaining unpaid/unclaimed thereon.

Members may please note that in the event of transfer of such shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF authorities by submitting an online application in the prescribed Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF- 5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

**Members who have not yet encashed their dividend warrant(s) pertaining to the final dividend for the financial year 2011-12 onwards are requested to lodge their claims with RTA immediately. It may be noted that the unclaimed Final Dividend for the financial year 2011-12 declared by the Company on 10<sup>th</sup> August, 2012 can be claimed by the Members up to 31<sup>st</sup> August, 2019.**

- m. **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.**
- n. Pursuant to Regulation 44(6) of SEBI Listing Regulations, the Company shall provide live webcast of proceedings of AGM from 3.00 p.m. onwards on Wednesday 31<sup>st</sup> July, 2019 for the shareholders who cannot attend the meeting in person. The proceedings of the AGM can be viewed by logging on to the e-voting website of NSDL at <https://www.evoting.nsdl.com> using their remote e-voting credentials, where the E-voting Event Number ("EVEN") of Company will be displayed.
- o. **Voting through electronic means:**

In compliance with provisions of Section 108 of the Companies Act, 2013, 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members 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 National Securities Depository Limited (NSDL).

The remote e-voting period commences on Friday, 26<sup>th</sup> July, 2019 (9:00 a.m.) and ends on Tuesday, 30<sup>th</sup> July, 2019 (5:00 p.m.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Wednesday, 24<sup>th</sup> July, 2019, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Wednesday, 24<sup>th</sup> July, 2019.

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 electronic means.

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 NSDL (<https://www.evoting.nsdl.com>).

Mr. Jayavant B. Bhavé, Practicing Company Secretary (FCS: 4266 CP: 3068) and Proprietor M/s. J B Bhavé & 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 [www.techmahindra.com](http://www.techmahindra.com) and on the website of NSDL <https://www.evoting.nsdl.com> immediately after the declaration of result by the Chairman or a person authorized by him in writing. Simultaneously the results shall also be forwarded to BSE Limited, Mumbai and The National Stock Exchange of India Limited, Mumbai.

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

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>**

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

**Details on Step 1 are mentioned below:**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?

- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, your 'initial password' would have been communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on <https://www.evoting.nsdl.com>.
  - b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on <https://www.evoting.nsdl.com>.
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

#### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company, which is 110839.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [jbhave@gmail.com](mailto:jbhave@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on <https://www.evoting.nsdl.com> to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

By Order of the Board  
For Tech Mahindra Limited

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013****Item No. 5 Appointment of Ms. Mukti Khaire as an Independent Director**

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors appointed Ms. Mukti Khaire (DIN: 08356551) as an Additional Director with effect from 19<sup>th</sup> April, 2019. Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (the "Act"), Ms. Mukti Khaire holds office upto the date of the ensuing Annual General Meeting.

The Company has received a notice in writing under Section 160(1) of the Act, from a member proposing the candidature of Ms. Mukti Khaire, for the office of Director of the Company.

Ms. Mukti Khaire has rich experience of over 25 years in the field of education, management consultancy and has received several awards. Brief profile of Ms. Mukti Khaire and information in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standards on General Meetings in respect of appointment of Ms. Mukti Khaire is mentioned in the annexure which forms part of this notice.

The Company has received declaration from Ms. Mukti Khaire to the effect that she meets the criteria of Independence as provided in Section 149(6) of the Act read with the rules framed thereunder and Regulation 16(1) (b) of SEBI Listing Regulations and that she is not debarred or disqualified from being appointed or continuing as director of the Company by the SEBI/Ministry of Corporate Affairs or such other statutory authority.

In the opinion of the Board, Ms. Mukti Khaire fulfils the condition specified in the Act, the Rules framed thereunder and SEBI Listing Regulations for her appointment as an Independent Director and she is independent of the management of the Company. Copy of the draft letter for appointment of Ms. Khaire as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 a.m. to 5:00 p.m.) on any working day, excluding Saturday and Sunday.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail the services of Ms. Mukti Khaire as an Independent Director for a term of 5 (five) consecutive years from 1<sup>st</sup> August, 2019. Ms. Mukti Khaire would bring with her vast experience to the Company in the field of education and management consultancy. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends the resolution as set out in item no. 5 of the Notice for the approval of members.

Ms. Mukti Khaire and her relatives may be deemed to be interested in this resolution. None of the other Directors and Key Managerial Personnel of the Company and their relatives are interested in this resolution.

**Item No. 6 Re-appointment of Mr. M. Damodaran as an Independent Director**

The members of the Company on 1<sup>st</sup> August, 2014 appointed Mr. M. Damodaran (DIN: 02106990) as an Independent Director of the Company for a term of five years with effect from 1<sup>st</sup> August, 2014. Mr. M. Damodaran will complete his present term on 31<sup>st</sup> July, 2019.

Mr. M. Damodaran was a member of the Indian Administrative Service and Chairman of Securities and Exchange Board of India and held important positions in various public institutions. Brief profile of Mr. M. Damodaran and information as required pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standards on General Meetings in respect of re-appointment of Mr. M. Damodaran is mentioned in the annexure which forms part of this notice.

The Company has received declaration from Mr. M. Damodaran to the effect that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 (the "Act") read with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations. Mr. M. Damodaran is not debarred or disqualified from being appointed or continuing as director of the Company by the SEBI/Ministry of Corporate Affairs or such other statutory authority.

In the opinion of the Board, Mr. M. Damodaran fulfils the conditions specified in the Act, the Rules framed thereunder and the SEBI Listing Regulations for his re-appointment as an Independent Director and that he is independent of the management of the Company. Copy of the draft letter for re-appointment of Mr. M. Damodaran as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 a.m. to 5:00 p.m.) on any working day, excluding Saturday and Sunday.

The Company has received a notice in writing under Section 160(1) of the Act, from a member proposing the candidature of Mr. M. Damodaran as an Independent Director of the Company. The re-appointment is made as a result of performance evaluation of Directors.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to avail the services of Mr. M. Damodaran as an Independent Director. His re-appointment is proposed for a further term commencing from 1<sup>st</sup> August, 2019 to 31<sup>st</sup> March, 2022 considering he would attain the age of seventy five years in the year 2022. Mr. M. Damodaran has vast knowledge, experience and contribution in the field of securities market and management consultancy.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends the resolution as set out in item no. 6 of the Notice for the approval of members.

Mr. M. Damodaran and his relatives may be deemed to be interested in this Special Resolution to the extent of their shareholding interest in the Company. None of the other Directors and Key Managerial Personnel of the Company and their relatives are interested in this Special Resolution.

#### **Item No. 7 Re-appointment of Mr. T. N. Manoharan as an Independent Director**

The Members of the Company on 1<sup>st</sup> August, 2014 appointed Mr. T. N. Manoharan (DIN: 01186248), as an Independent Director of the Company for a term of five years with effect from 1<sup>st</sup> August, 2014. Mr. T. N. Manoharan will complete his present term on 31<sup>st</sup> July, 2019.

Mr. T. N. Manoharan is a Chartered Accountant by profession and has served as the President of ICAI during 2006-07 and was instrumental in charting the road map for several accounting reforms in the Indian System. Brief profile and information as required pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standards on General Meetings in respect of re-appointment of Mr. T. N. Manoharan is mentioned in the annexure which forms part of this notice.

The Company has received declaration from Mr. T. N. Manoharan to the effect that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 (the "Act") read with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations. Mr. T. N. Manoharan is not debarred or disqualified from being appointed or continuing as director of the Company by the SEBI/Ministry of Corporate Affairs or such other statutory authority.

In the opinion of the Board, Mr. T. N. Manoharan fulfils the conditions specified in the Act, the Rules thereunder and the SEBI Listing Regulations for his re-appointment as an Independent Director and that he is independent of the management of the Company. Copy of the draft letter for re-appointment of Mr. T. N. Manoharan as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 a.m. to 5:00 p.m.) on any working day, excluding Saturday and Sunday.

The Company has received a notice in writing under Section 160(1) of the Act, from a member proposing the candidature of Mr. T. N. Manoharan as an Independent Director of the Company. The re-appointment is made as a result of performance evaluation of Directors.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to avail the services of Mr. T. N. Manoharan as an Independent Director for a further term of 5 (five) consecutive years from 1<sup>st</sup> August, 2019. Mr. T. N. Manoharan has vast knowledge, experience and contribution in the field of accounting and tax laws.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends the resolution as set out in item no. 7 of the Notice for the approval of members on the existing terms and conditions.

Mr. T. N. Manoharan and his relatives may be deemed to be interested in this Special Resolution to the extent of their shareholding interest in the Company. None of the other Directors and Key Managerial Personnel of the Company and their relatives are interested in this Special Resolution.

#### **Item No. 8 Re-appointment Ms. M. Rajyalakshmi Rao as an Independent Director**

The Members of the Company on 1<sup>st</sup> August, 2014 appointed Ms. M. Rajyalakshmi Rao (DIN: 00009420) as an Independent Director of the Company for a term of five years with effect from 1<sup>st</sup> August, 2014. Ms. M. Rajyalakshmi Rao will complete her present term on 31<sup>st</sup> July, 2019.

Ms. M. Rajyalakshmi Rao holds a degree in MBA Marketing and MS (Advertising) from the University of Illinois, Urbana- Champaign, USA and has served as a member of the National Consumer Disputes Redressal Commission. Brief profile and information as required pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standards on General Meetings in respect of re-appointment of Ms. M. Rajyalakshmi Rao is mentioned in the annexure which forms part of this notice.

The Company has received declaration from Ms. M. Rajyalakshmi Rao to the effect that she meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 (the "Act") read with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations. Ms. M. Rajyalakshmi Rao is not debarred or disqualified from being appointed or continuing as director of the Company by the SEBI/Ministry of Corporate Affairs or such other statutory authority.

In the opinion of the Board, Ms. M. Rajyalakshmi Rao fulfils the conditions specified in the Act, the Rules thereunder and the SEBI Listing Regulations for her re-appointment as an Independent Director and that she is independent of the management of the Company. Copy of the draft letter for re-appointment of Ms. M. Rajyalakshmi Rao as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 a.m. to 5:00 p.m.) on any working day, excluding Saturday and Sunday.

The Company has received a notice in writing under Section 160(1) of the Act, from a member proposing the candidature of Ms. M. Rajyalakshmi Rao as an Independent Director of the Company. The re-appointment is made as a result of performance evaluation of Directors.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to avail the services of Ms. M. Rajyalakshmi Rao as an Independent Director for a further term of 5 (five) consecutive years from 1<sup>st</sup> August, 2019. Ms. M. Rajyalakshmi Rao has vast knowledge, experience and contribution in the field of management consultancy to the Company.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends Special Resolution as set out in item no. 8 of the Notice for the approval of members on the existing terms and conditions.

Ms. M. Rajyalakshmi Rao and her relatives may be deemed to be interested in this Special Resolution to the extent of their shareholding interest in the Company. None of the other Directors and Key Managerial Personnel of the Company and their relatives are interested in this Special Resolution.

#### **Item No. 9 Appointment of Mr. Haigreve Khaitan as an Independent Director**

In accordance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 (the "Act"), appointment of Independent Director requires approval of members. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors has proposed that Mr. Haigreve Khaitan (DIN: 00005290) be appointed as an Independent Director on the Board of the Company with effect from 1<sup>st</sup> August, 2019 for a term of 5 (five) consecutive years.

The Company has received a notice in writing under Section 160(1) of the Act from a member proposing the candidature of Mr. Haigreve Khaitan as an Independent Director of the Company.

Mr. Haigreve Khaitan is a Partner of Khaitan & Co and has rich experience in Mergers & Acquisitions, Restructuring, Joint Ventures and Foreign Collaborations. Brief profile and information as required pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standards on General Meetings in respect of appointment of Mr. Haigreve Khaitan is mentioned in the annexure which forms part of this notice.

The Company has received declaration from Mr. Haigreve Khaitan to the effect that he meets the criteria of Independence as provided in Section 149(6) of the Act read with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and that he is not debarred or disqualified from being appointed as director of the Company by the SEBI/Ministry of Corporate Affairs or such other statutory authority.

In the opinion of the Board Mr. Haigreve Khaitan fulfils the conditions specified in the Act, the Rules framed thereunder and SEBI Listing Regulations for his appointment as an Independent Director and he is independent of the management of the Company. Copy of the draft letter for appointment of Mr. Haigreve Khaitan as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 a.m. to 5:00 p.m.) on any working day, excluding Saturday and Sunday.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail the services of Mr. Haigreve Khaitan as an Independent Director for a term of 5 (five) consecutive years from 1<sup>st</sup> August, 2019. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends the resolution as set out in item no. 9 of the Notice for the approval of members.

Mr. Haigreve Khaitan and his relatives may be deemed to be interested in this resolution. None of the other Directors and Key Managerial Personnel of the Company and their relatives are interested in this Resolution.

#### **Item No. 10 Appointment of Ms. Shikha Sharma as an Independent Director**

In accordance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 (the "Act"), appointment of Independent Director requires approval of members. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors has proposed that Ms. Shikha Sharma (DIN: 00043265) be appointed as an Independent Director on the Board of the Company with effect from 1<sup>st</sup> August, 2019 for a term of 5 (five) consecutive years.

The Company has received a notice in writing under Section 160(1) of the Act from a member proposing the candidature of Ms. Shikha Sharma as an Independent Director of the Company.

Ms. Shikha Sharma is a B.A. (Hons.) in Economics, Post Graduate Diploma in Software Technology and Post Graduate Diploma from IIM Ahmedabad and has rich experience in banking and insurance industry. Brief profile and information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standards on General Meetings in respect of appointment of Ms. Shikha Sharma is mentioned in the annexure which forms part of this notice.

The Company has received declaration from Ms. Shikha Sharma to the effect that she meets the criteria of Independence as provided in Section 149(6) of the Act read with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and that she is not debarred or disqualified from being appointed as director of the Company by the SEBI/Ministry of Corporate Affairs or such other statutory authority.

In the opinion of the Board, Ms. Shikha Sharma fulfils the conditions specified in the Act the Rules framed thereunder and SEBI Listing Regulations for her appointment as an Independent Director and she is independent of the management of the Company. Copy of the draft letter for appointment of Ms. Shikha Sharma as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 a.m. to 5:00 p.m.) on any working day, excluding Saturday and Sunday.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail the services of Ms. Shikha Sharma as an Independent Director for a term of 5 (five) consecutive years from 1<sup>st</sup> August, 2019. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends the resolution as set out in item no. 10 of the Notice for the approval of members.

Ms. Shikha Sharma and her relatives may be deemed to be interested in this resolution. None of the other Directors and Key Managerial Personnel of the Company and their relatives are interested in this Resolution.

#### **Item No. 11 Payment of Commission to Directors who are neither in Whole-time Employment nor Managing Director**

The Members at the Annual General Meeting of the Company held on 1<sup>st</sup> August, 2014 had approved a special resolution for payment of commission not exceeding 1% per annum of the net profits of the Company to the Directors of the Company who are neither in the whole-time employment nor Managing Director in respect of the profits of the Company for each financial year for a period of five years commencing 1<sup>st</sup> April, 2015.

Pursuant to the provisions of Section 197 of the Companies Act, 2013 (the "Act") it is proposed to authorise the payment of commission to the Directors of the Company who are neither in the whole-time employment or Managing Director up to 1% per annum of the net profits of the Company, for each of further five years commencing from 1<sup>st</sup> April, 2020.

Pursuant to provisions of Sections 197 and other applicable provisions of the Act, Regulation 17(6)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the members would be required for the payment of commission to all Non-Executive Directors of the Company.

Your Directors recommends this resolution for approval of members as an Ordinary Resolution.

All Directors and their relatives except Managing Director & CEO may be deemed to be concerned or interested in the resolution to the extent of the remuneration that may be received by each of them.

## DETAILS PURSUANT TO REGULATION 26(4) AND 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2 ON GENERAL MEETINGS IN RESPECT OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT.

### **Mr. V. S. Parthasarathy (DIN: 00125299)**

Mr. V. S. Parthasarathy, age 56 years is a leader who relishes his multiple roles straddling industries and geographies as he calls them his stairway to global mindset and it challenges him to think fast and think new. In his role as Group CFO & Group CIO, 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 Mahindra Group's supervisory board called "Group Executive Board".

Starting his career at Modi Xerox as a Management Trainee, he rose to become Associate Director at Xerox. He joined Mahindra & Mahindra in 2000 and completed eventful stints in HR, Finance, M&A, IT and International Operations before being selected to the prestigious post of CFO of M&M.

He refuses to rest on the laurels of his many awards & recognitions in the field of finance, M&A and IT, the latest being BusinessWorld –Yes Bank Award for Leadership and Industry Role Model - 2018 and Digital Icon of India by HPE - 2018 as he likes to move on for the next challenge to conquer.

Mr. V. S. Parthasarathy 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 ensure he makes time for interactions in industry forums for Finance, M&A and IT. He runs for Nanhi Kali (the Girl Child Education) at Mumbai Marathon as a Change Icon and has been adjudged as the Change Legend in Mumbai Marathon 2019 being the highest fund-raiser at that event. He is an avid reader too.

Mr. V. S. Parthasarathy 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 is also an ACA of Institute of Chartered Accountants of England and Wales (ICAEW).

Mr. V. S. Parthasarathy is a member of the Stakeholders Relationship Committee and Investment Committee of the Company. He is the Director, Chairman of Audit Committee and member of Nomination and Remuneration Committee of Mahindra Electric Mobility Limited. He is a Director of Mahindra USA Inc., Mahindra Tractor Assembly Inc., CIE Automotive SA and Mahindra Automotive North America Inc. He is a Director of Mahindra and Mahindra Financial Services Limited, and is a member of Audit Committee, Risk Management Committee, Asset Liability Committee, Committee for Strategic Investments and Nomination and Remuneration Committee. He is a Director of Mahindra Holidays & Resorts India Limited, and is a member of Audit Committee, Stakeholders Relationship Committee, Risk Management Committee, CSR Committee and Securities Allotment Committee. He is also Director in Peugeot Motorcycles SAS, and is a Chairman of Audit and Finance Committee and member of Nomination and Compensation Committee. He is the Chairman of Mahindra eMarket Limited and Director of Mahindra BT Investment (Mauritius) Limited. He is a Director of New Democratic Electoral Trust.

He is the President of Bombay Chamber of Commerce and Industry.

He was first appointed on 10<sup>th</sup> August, 2015 in the Company. During the year 5 Board Meetings were held and Mr. V. S. Parthasarathy attended all the Meetings.

He is a Non-Executive Director liable to retire by rotation. Being a Non-Executive Director, he will be entitled for commission out of the profits of the Company. He was paid Commission of ₹ 5.87 million for FY 2017-18. Commission payable for the FY 2018-19 will be ₹ 6.57 million.

Mr. V. S. Parthasarathy is not related to any of the other Directors of the Company or Key Managerial Personnel or their relatives and does not hold any shares in the Company either in individual capacity or on a beneficial basis for any other person.

### **Ms. Mukti Khaire (DIN: 08356551)**

Ms. Mukti Khaire, age 46 years has to her credit M.Sc. (Environmental Science) from University of Pune, Master's Degree in Management from IIT, Mumbai and Ph.D. in Management from Columbia University. She has rich experience of around 25 years in the field of education, management consultancy and has received several awards. She is also a Member of the Board of Directors of Fractured Atlas, Member of the Board of Directors of Exponential Creativity Ventures, Member of the National Selection Committee for the Bloomberg Foundation's Mayors' Challenge and Faculty Chair of the Harvard Deans' Cultural Entrepreneurship Challenge.

She was appointed as Director w.e.f. 19<sup>th</sup> April, 2019 therefore has not attended any meeting of the Board in the financial year 2018-19. Being a Non-Executive Independent Director she will be entitled for commission out of the profits of the Company.

Ms. Mukti Khaire is not related to any of the other Directors of the Company or Key Managerial Personnel and does not hold any shares in the company, either in her individual capacity or on a beneficial basis for any other person.

### **Mr. M. Damodaran (DIN: 02106990)**

Mr. M. Damodaran, age 72 years is an Independent Director of the company. He holds degrees in Economics and Law from Universities of Madras and Delhi respectively. He was a member of the Indian Administrative Service, and has held a number of important positions in both the Central and State Governments and in India's financial sector, before demitting office as Chairman of Securities and Exchange Board of India (SEBI) in February, 2008. Prior thereto, he was Chairman of Unit Trust of India and Industrial Development Bank of India and led the successful restructuring efforts of both these institutions.

During his tenure at SEBI, he was elected Chairman of 80-member Emerging Markets Committee of the International Organisation of Securities Commissions. As SEBI Chairman, Mr. M. Damodaran brought several improved practices to India's securities market.

He is presently an Independent Director on the Boards of some of India's leading companies. He is the founder of Excellence Enablers, a Corporate Governance Advisory firm that focusses on improvement of Board performance.

Mr. M. Damodaran is the member of Audit Committee, Risk Management Committee and Chairman of Stakeholders Relationship Committee of the Company. He is an Independent Director of Hero MotoCorp Limited and is a Chairman of Audit Committee, member of Stakeholders Relationship Committee, Risk Management Committee and Nomination and Remuneration Committee. He is also on the Board of Larsen and Toubro Limited as an Independent Director and is a member of Audit Committee. He is an Independent Director in CRISIL Limited and is Chairman of Audit Committee and member of Nomination and Remuneration Committee. He is an Independent Director of Biocon Limited and is a member of Audit Committee and Risk Management Committee. He is also a Director in InterGlobe Aviation Limited and is a Chairman of Audit Committee and member of Nomination and Remuneration Committee. He is also Director in Excellence Enablers Private Limited and Kerala Infrastructure Fund Management Limited. He is also partner in Unicorn India Ventures Services LLP.

He was first appointed as Director on 22<sup>nd</sup> July, 2008 in the Company and later was appointed as an Independent Director on 1<sup>st</sup> August, 2014. He is proposed to be re-appointed for a further period up to 31<sup>st</sup> March, 2022, considering he would attain the age of seventy five years in the year 2022.

During the year, 5 Board Meetings were held and Mr. M. Damodaran attended all the Meetings.

Being a Non-Executive Director he will be entitled to commission out of the profits of the Company. He was paid Commission of ₹ 6.30 million for FY 2017-18. Commission payable for the FY 2018-19 will be ₹ 7.26 million.

Mr. M. Damodaran is not related to any of the other Directors of the Company or Key Managerial Personnel and holds 73,675 shares of the company.

### **Mr. T. N. Manoharan (DIN: 01186248)**

Mr. T. N. Manoharan, age 63 years is an Independent Director of the Company. He was nominated by the Government of India to the Board of Satyam Computer Services Ltd. He made significant contribution towards the revival of the erstwhile Mahindra Satyam within a short span of time.

Mr. T. N. Manoharan is a Chartered Accountant by profession and has served as the President of ICAI during 2006-07 and was instrumental in charting the road map for several accounting reforms in the Indian System and pioneered proactive amendments to the Chartered Accountants Act, 1949. Mr. T. N. Manoharan was the Chairman of ICAI of Accounting Research Foundation. He was on the Board of the Insurance Regulatory and Development Authority (IRDA) and on the committees constituted by Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Comptroller and Auditor General of India (C&AG) and Central Board of Direct Taxes (CBDT) during 2006-07.

Mr. T. N. Manoharan was the Chairman of the National Committee on Accounting Standards and Taxation of the Confederation of Indian Industry. He was a member of the Appellate Authority, and of the working group constituted by International Accounting Standards Board (ISAB) for making recommendations on "IFRS

for SMEs. He is currently the Non-Executive Chairman of Canara Bank. He is also a member of the Governing Council for the skill Development in BFSI sector.

Mr. T. N. Manoharan has been conferred the "Life Time Achievement" award in 2005 and "For the Sake of Honour" award in 2007 by the Rotary International and the "Super Achiever" award in 2006 by the Lions International. He received the "Business Leadership Award" from NDTV Profit in 2009 and the CNN IBN "Indian of the Year 2009" award in the Business category. The Government of India conferred him the "Padma Shri" award in 2010.

Mr. T. N. Manoharan is the Chairman of the Audit Committee and Risk Management Committee of the Company. He is also Non-Executive Chairman in Canara Bank and is a Chairman of, Board Committee, Special Committee for Monitoring Large Value of Frauds, Risk Management Committee, Remuneration Committee, Nomination Committee. He is a member of Audit Committee, Committee of Board Members and other subcommittee of the Bank. He is an Independent Director in Mahindra & Mahindra Limited and is an Audit Committee Chairman and member of Risk Management Committee and Strategic Investment Committee. He is also appointed as Director in Tech Mahindra (Americas) Inc. USA a wholly owned unlisted material subsidiary of the Company. The Reserve Bank of India vide its notification dated 29<sup>th</sup> May, 2019 has constituted a task force on the development of Secondary market for corporate loans and have appointed Mr. Manoharan as Chairperson of said committee.

He was first appointed on 1<sup>st</sup> July, 2013 as Director in the Company and was appointed as an Independent Director with effect from 1<sup>st</sup> August, 2014. He is proposed to be re-appointed for a further term of 5 years. During the year, 5 Board Meetings were held and Mr. Manoharan attended 4 Meetings in person and one meeting through a tele conference call.

Being a Non-Executive Director he will be entitled for commission out of the profits of the Company. He was paid Commission of ₹ 7.17 million for FY 2017-18. Commission for the FY 2018-19 will be ₹ 7.81 million.

Mr. T. N. Manoharan is not related to any of the other Directors of the Company or Key Managerial Personnel and holds 29,387 shares in the company.

#### **Ms. M. Rajyalakshmi Rao (DIN: 00009420)**

Ms. M. Rajyalakshmi Rao, age 69 years is an independent director of the Company.

She is an MBA from Osmania University and MS (Advertising) from the University of Illinois, Urbana- Champaign, USA. She served as full-time member for 10 years in National Consumer Disputes Redressal Commission, Government of India. She authored two books on consumer movement – 'Consumer is King' and 'Consumer Rights and You'. Ms. M. Rajyalakshmi Rao served as a member of the Reserve Bank of India (RBI) Committee on Customer Service in Banks. She was also a member of the Film Censor Board. She is the First Lady President of the American Alumni Association in Mumbai and First Lady President of Indo American Chamber of Commerce (Western India Region). Ms. Rajyalakshmi Rao was Former Advisory member of Insurance Advisory Committee of Insurance Regulatory and Development Authority of India, Hyderabad for two terms.

Presently, she is an Executive Vice President of National of Indo-American Chamber of Commerce, Founder Chairperson of All India Foundation of Deaf Women, Member of Advisory Board of Council for Fair Business Practices, Member of Consumer Education and Research Society, Ahmedabad and Member of Executive Committee of Indian Merchants Chamber (Ladies wing).

She was first appointed on 1<sup>st</sup> July, 2013 as Director and later was appointed as an Independent Director on 1<sup>st</sup> August, 2014. She is proposed to be re-appointed for a further term of 5 years. During the year, 5 Board Meetings were held and Ms. M. Rajyalakshmi Rao attended all the Meetings.

She is the member of Corporate Social Responsibility of the Committee of the Company. She is also Director of Tech Mahindra Foundation, Rewas Ports Limited, Global Insurance Broker Private Limited, Indo American Chamber of Commerce, Mahindra Aerostructures Private Limited, Mahindra Aerospace Private Limited, Namaste America Indo American Association for Art and Culture.

Being a Non-Executive Director she will be entitled for commission out of the profits of the Company. She was paid Commission of ₹ 5.54 million for FY 2017-18. Commission for the FY 2018-19 will be ₹ 6.22 million.

Ms. M. Rajyalakshmi Rao is not related to any of the other Directors of the Company or Key Managerial Personnel and holds 20,000 shares in the company.

**Mr. Haigreve Khaitan (DIN: 00005290)**

Mr. Haigreve Khaitan, age 48 years is a Bachelor of Law and is a Partner of Khaitan & Co. He started his career in litigation and over the years has rich experience in all aspects of Mergers & Acquisitions, Restructuring, Joint Ventures and Foreign Collaborations. He advises a range of large Indian conglomerates and multinational clients in various business sectors including infrastructure, power, telecom, automobiles, steel, software and information technology, retail, etc.

Chambers and Partners have ranked him as 'Star Individual' for M&A and an 'Eminent Practitioner' for Private Equity. He is ranked amongst top 100 lawyers in India by India Business Law Journal (IBLJ) through an independent survey of General Counsels.

Mr. Haigreve Khaitan is an Independent Director of Torrent Pharmaceuticals Limited and member of Audit Committee and Chairman of Securities Transfer and Stakeholders Relationship Committee.

He is an Independent Director of CEAT Limited. He is an Independent Director of Inox Leisure Limited and Chairman of Audit Committee, Compensation and Remuneration Committee.

Mr. Haigreve Khaitan is also an Independent Director of JSW Steel Limited and member of Audit Committee, Share Allotment Committee and JSWSL ESOP Committee. He is also an Independent Director in Gujarat Borosil Limited.

He is an Independent Director in Avtec Limited and member of Audit Committee and Nomination and Remuneration Committee. He is an Independent Director in Aditya Birla Sun Life Insurance Company Limited and Chairman of Audit Committee and member of Risk Management Committee. He is an Independent Director in Mahindra Holdings Limited and member of Audit Committee.

Mr. Haigreve Khaitan is also an Independent Director in Wevin Private Limited.

Being a Non-Executive Independent Director he will be entitled for commission out of the profits of the Company.

Mr. Haigreve Khaitan is not related to any of the other Directors of the Company or Key Managerial Personnel and does not hold any shares in the company, either in his individual capacity or on a beneficial basis for any other person.

**Ms. Shikha Sharma (DIN: 00043265)**

Ms. Shikha Sharma, age 60 years is a B.A. (Hons.) in Economics, Post Graduate Diploma in Software Technology and Post Graduate Diploma from IIM Ahmedabad. She has rich experience in banking, insurance and has an excellent track record and led the Bank on a transformation journey from being primarily a corporate lender to a bank with a strong retail deposit franchise and a balanced lending book.

Ms. Shikha Sharma began her career with ICICI Bank in 1980. She was a MD and CEO of ICICI Personal Financial Services from May 1998-2000. Thereafter she was Managing Director and CEO of ICICI Prudential Life Insurance Company from December 2000 to June 2009. Later she was the Managing Director and CEO of Axis Bank from June 2009 till December 2018.

Ms. Shikha Sharma has won many awards including Outstanding Businesswoman of the year- CNBC TV18, AIMA JRD TATA Corporate Leadership, Banker of the Year – Business Standard and has been recognised Top 20 Women in Finance by Finance Asia and 50 most powerful women in business by Fortune.

Ms. Shikha Sharma is an Independent Director of TATA Global Beverages Limited. She is also an Independent Director of Ambuja Cements Limited and member of Audit Committee.

Ms. Shikha Sharma is an Independent Director of Dr. Reddy's Laboratories Limited and member of Audit Committee and Risk Management Committee

She is also advisor of KKR & Co., Inc and member of Board of Governors of IIM Lucknow and Advisory Board of Bridgspan.

Being a Non-Executive Independent Director she will be entitled for commission out of the profits of the Company.

Ms. Shikha Sharma is not related to any of the other Directors of the Company or Key Managerial Personnel and does not hold any shares in the company, either in her individual capacity or on a beneficial basis for any other person.

**TECH MAHINDRA LIMITED**
**CIN: L64200MH1986PLC041370**
**Registered Office:** Gateway Building, Apollo Bunder, Mumbai – 400 001

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

**PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL**
**ATTENDANCE SLIP**

|       |                     |               |
|-------|---------------------|---------------|
| DP ID | Folio No./Client Id | No. of Shares |
|-------|---------------------|---------------|

NAME OF THE MEMBER :

NAME OF THE MEMBER :

NAME OF THE PROXY :

I hereby record my/our presence at the **32<sup>ND</sup> ANNUAL GENERAL MEETING** of the Company held on Wednesday, the 31<sup>st</sup> day of July, 2019 at 3.00 P.M. at Y. B. Chavan Auditorium, General Jagannath Bhosle Marg, Nariman Point, Mumbai - 400 021, India.

Signature of the Shareholder/Proxy : \_\_\_\_\_

(Only shareholders/proxies are allowed to attend the meeting)

**TECH MAHINDRA LIMITED**
**CIN: L64200MH1986PLC041370**
**Registered Office:** Gateway Building, Apollo Bunder, Mumbai – 400 001

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

**PROXY FORM**
**[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

|                         |                       |
|-------------------------|-----------------------|
| Name of the Member(s) : | E-mail ID :           |
| Registered address :    | Folio No./Client ID : |
|                         | DP ID :               |

I / We being the member(s) of Tech Mahindra Limited and holding \_\_\_\_\_ shares, hereby appoint -

1) \_\_\_\_\_ of \_\_\_\_\_ having email id \_\_\_\_\_ or failing him

2) \_\_\_\_\_ of \_\_\_\_\_ having email id \_\_\_\_\_ or failing him

3) \_\_\_\_\_ of \_\_\_\_\_ having email id \_\_\_\_\_

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **32<sup>ND</sup> ANNUAL GENERAL MEETING** of the Company to be held on Wednesday, the 31<sup>st</sup> day of July, 2019 at 3.00 P.M. at Y. B. Chavan Auditorium, General Jagannath Bhosle Marg, Nariman Point, Mumbai - 400 021, India, and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above proxy to vote in the manner as indicated in the box below: **(This is optional)**

(Please put a (✓) in the appropriate column as indicated below. If you leave columns blank in any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.)

| Resolution No.           | Subject Matter of the Resolution                                                                                                             | For | Against |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|-----|---------|
| <b>Ordinary Business</b> |                                                                                                                                              |     |         |
| 1                        | Adoption of Financial Statements and Reports of the Board of Directors and Auditors thereon for the year ended 31 <sup>st</sup> March, 2019. |     |         |
| 2                        | Adoption of Consolidated Financial Statements and Reports of the Auditors thereon for the year ended 31 <sup>st</sup> March, 2019.           |     |         |
| 3                        | Declaration of dividend for the financial year ended 31 <sup>st</sup> March, 2019.                                                           |     |         |
| 4                        | Re-appointment of Mr. V. S. Parthasarathy (DIN: 00125299) as Director, who retires by rotation.                                              |     |         |
| <b>Special Business</b>  |                                                                                                                                              |     |         |
| 5                        | Appointment of Ms. Mukti Khaire (DIN: 08356551) as an Independent Director.                                                                  |     |         |
| 6                        | Re-appointment of Mr. M. Damodaran (DIN: 02106990) as an Independent Director.                                                               |     |         |
| 7                        | Re-appointment of Mr. T. N. Manoharan (DIN: 01186248) as an Independent Director.                                                            |     |         |
| 8                        | Re-appointment of Ms. M. Rajyalakshmi Rao (DIN: 00009420) as an Independent Director.                                                        |     |         |
| 9                        | Appointment of Mr. Haigreve Khaitan (DIN: 00005290) as an Independent Director.                                                              |     |         |
| 10                       | Appointment of Ms. Shikha Sharma (DIN: 00043265) as an Independent Director.                                                                 |     |         |
| 11                       | Payment of Commission to the Directors who are neither in the Whole-time Employment nor the Managing Director of the Company.                |     |         |

Affix  
₹ 1  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

Signature of shareholder  
across Revenue Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

**Notes:**

- This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- A Proxy need not be a member of the Company.

ROUTE MAP FOR ANNUAL GENERAL MEETING VENUE

