

February 4, 2025

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

National Stock Exchange of India Limited
Exchange Plaza, 5th floor,
Plot No. – C/1, G Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051
NSE Symbol : TECHM

Sub: Update on litigation – Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)

Ref.: Intimation dated August 14, 2023 on disclosure of continuing events/information under Regulation 30 of the SEBI Listing Regulations

Dear Sir / Madam,

This is with reference to intimation filed by the Company on August 14, 2023 disclosing the details of the pending litigation(s) or dispute(s) in accordance with the requirements of Regulation 30(4) and Clause 8 of Para B of Part A of Schedule III of the SEBI Listing Regulations read with Clause 8.1 of the SEBI Circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023.

In continuation to the above, we would like to inform you of a development in relation to the ongoing litigation disclosed at sr. no. 1 of Annexure A of the said intimation (copy enclosed as Annexure II) to this letter) with respect to petition filed by the Company before the Hon’ble High Court of Telangana for litigating income tax assessment from Assessment Year 2002-03 to 2008-09 for an amount to Rs. 2,608 crores (Gross liability as per the then latest Orders).

The details of the development on the said petition of the Company are provided in Annexure I as per the requirements of Regulation 30 of the SEBI Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13 July 2023.

The Order dated 31 January 2025 was received by the Company today viz. Tuesday, February 4, 2025 at 4.50 p.m. (IST).

This intimation is also available on the website of the Company at www.techmahindra.com



You are requested to kindly take note of the same.

Thanking you

For Tech Mahindra Limited

Ruchie Khanna
Company Secretary

Enclosure : As above

Update on development of pending litigation under Regulation 30 read with Clause 8 of Para B of Part A of Schedule III of the SEBI Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13 July 2023

Sr. No.	Disclosure	Update
A.	The details of any change in the status and/or any development in relation to such proceedings:	<p>The Hon'ble High Court for the State of Telangana at Hyderabad has allowed the Writ Petitions filed by the Company and set aside / quashed the impugned orders of the Tax Department being arbitrary, illegal and violative of Section 119 of the Income Tax Act. The Hon'ble High Court has also directed the Company to file revised returns for the Assessment Years 2003-04 to 2008-09 based upon the revised financial statements of the Company for the year ending 31st March, 2009 and further directed the Department to re-quantify / re-compute the income of the Company by conducting a fresh and proper assessment for the said assessment years.</p> <p>This Judgement is consistent with the earlier orders passed by the Hon'ble Supreme Court of India, the Hon'ble High Court at Hyderabad, Investigating Agencies, CBI and SFIO.</p> <p>It is further ordered that till re-quantification and re-computation of the income is done, the Department shall not proceed with any recovery of income tax against the Company for the said relevant period.</p>
B.	In the case of litigation against key management personnel or its promoter or ultimate person in control, regularly provide details of any change in the status and / or any development in relation to such proceedings:	Not Applicable
C.	In the event of settlement of the proceedings, details of such settlement including - terms of the settlement, compensation/ penalty paid (if any) and impact of such settlement on the financial position of the listed entity:	Not Applicable

Annexure- II

14th August, 2023

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

National Stock Exchange of India Limited
Exchange Plaza, 5th floor,
Plot No. - C/1, G Block,
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051
NSE Symbol : TECHM

Sub: Disclosure of Continuing events/information as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”)

Dear Sir/Madam,

Pursuant to amendment to Regulation 30 of LODR vide notification dated 14th June, 2023, which came into effect from 15th July, 2023, the Company is required to disclose any continuing event or information which becomes material upon notification of the said amendment.

Accordingly, the Company in compliance with the requirement of Clause 8 of Para B of Part A of Schedule III of LODR read with Clause 8.1 of the SEBI Circular dated 13th July, 2023 is required to disclose pendency of any litigation(s) or dispute(s), the outcome of which can reasonably be expected to have an impact on the listed entity.

Based on the Company’s assessment, prevailing law and basis the advice of the counsel in certain matters, the outcome of such pending litigations/disputes is not reasonably expected to have any material financial impact on the Company and hence details of the same are not required to be disclosed. However, the Company is disclosing the details of pending tax litigations/disputes at High Court and Supreme Court that breach materiality thresholds under LODR as Annexures A and B.

There are other pending tax litigations/disputes which are initiated by/against the Company at different forums viz. Commissioner of Income Tax (Appeals), Income Tax Appellate Tribunal, etc. The Company does not reasonably expect any material financial impact on account of these cases also.

Thanking you,

For Tech Mahindra Limited

Anil
Mohanlal
Khatri

Digitally signed by
Anil Mohanlal Khatri
Date: 2023.08.14
21:03:19 +05'30'

Anil Khatri
Company Secretary

Encl.: as above

Annexure A - Litigations Pertaining to Direct Tax

Sl.	Name of the opposing party	Court/ Tribunal/ Agency where litigation is filed	Brief details of the dispute/ litigation	Assessment Year (AY)	Expected financial implications, if any, due to compensation, penalty etc*	Quantum of claims, if any#
1	1) Central Board of Direct Taxes, Dept of Revenue, Ministry of Finance, Government of India 2) Commissioner of Income Tax, Hyderabad	The Hon'ble High Court of Telangana	The disputes are mainly on account of Taxing of Fictitious Income, denial of deduction u/s 10A on Real Income and grant of correct Foreign Tax Credits.	AY 2002-03 to AY 2008-09	The aggregate amount of litigation is Rs.2,608 cr. which is pertaining to Assessment Years 2002-03 to 2008-09. The company has also provided Bank Guarantee of Rs. 617 cr.	Rs.2,608 cr.

*Based on a preliminary assessment, prevailing law and advice of counsel, the Company is hopeful of a favourable outcome and does not reasonably expect the same to have any material financial impact on the Company. The amount disclosed under "Expected financial implications" is the Gross Tax Liability position as at 30th June, 2023.

#The amount of quantum of claim is the tax on the amount of expenses/ incomes being disputed by the Company/ Tax Department.

Annexure B - Litigations Pertaining to Indirect Tax

Sl.	Name of the opposing party	Court/ Tribunal/ Agency where litigation is filed	Brief details of the dispute/ litigation	Assessment Year (AY)	Expected financial implications, if any, due to compensation, penalty etc*	Quantum of claims, if any#
	The Commissioner of Central Excise, Pune-I	Hon'ble Supreme Court of India.	<p>1. Commissioner of Service Tax raised service tax demand, interest and penalty for reverse charge on onsite services rendered by overseas branches for the period May 2008 to July 2013. The Hon'ble CESTAT has passed an order in favour of the Company.</p> <p>2. The Department has filed an appeal before the Hon'ble SC and the same is admitted.</p>	May 2008 to July 2013	The aggregate amount of litigation is Rs. 637.66 Cr. plus an equal amount of penalty, out of which company paid Rs. 91 Cr. while filing appeal with the CESTAT.	Rs.637.66 Cr.

*Based on a preliminary assessment, prevailing law and advice of counsel, the Company is hopeful of a favourable outcome and does not reasonably expect the same to have any material financial impact on the Company. The amount disclosed under "Expected financial implications" is the Gross Tax Liability position as at 30th June, 2023.

#The amount of quantum of claim is the tax on the amount of expenses/ incomes being disputed by the Company/ Tax Department.

Litigations pending before High Court

Sl.	Name of the opposing party	Court/ Tribunal/ Agency where litigation is filed	Brief details of the dispute/ litigation	Assessment Year (AY)	Expected financial implications, if any, due to compensation, penalty etc*	Quantum of claims, if any
1	IL&FS Engineering and Construction Co. Ltd. v/s. Tech Mahindra Limited & 33 ors.	Hon'ble High Court of Bombay	Commercial Suit had been filed against TechM and 23 other Respondents before the Bombay High Court by IL&FS Engineering and Construction Company Limited (erstwhile Matyas Infra Ltd.) for alleged recovery of INR 316 Crores plus penal interest @ 18% from 2008 till date. ILFS has alleged that monies have been routed from the Petitioner Company to Level-1 companies and by them to Level-2 companies (all 37 companies formed by Ramalinga Raju prior to 2008), who allegedly paid to Satyam Computers & Services Ltd. TechM has moved Interlocutory applications and filed its detailed Written statement denying the claim made by ILFS.	FY 2020-21	Company does not believe there is any expected financial implication. This suit is connected with 37 independent suits aggregating to INR 1,230 crores filed by 37 companies which are pending before City Civil Court, Secunderabad that is shown as "Amounts pending investigation suspense account (net)" under the Notes to Account of TechM's Annual Report.	INR 316 Crores plus interest @ 18%

*Based on company's assessment, prevailing law and advice of counsel, the Company is hopeful of a favourable outcome and does not reasonably expect the same to have any material financial impact on the Company. The amount disclosed under "Expected financial implications" is on 30th June 2023.