

**29<sup>th</sup> June, 2022**

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 35<sup>th</sup> Annual General Meeting (AGM), Integrated Annual Report for the Financial Year 2021-22 & Book Closure for AGM and Dividend.**

Dear Sir/Madam,

This is to inform you that the 35<sup>th</sup> AGM of the members of the Company is scheduled on Tuesday, the 26<sup>th</sup> day of July, 2022 at 3.30 p.m. (IST) through Video Conference/Other Audio Visual Means.

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 Integrated Annual Report for the financial year 2021-22 along with notice of the AGM for your information and records which is circulated to the shareholders through electronic mode.

Pursuant to Regulation 42 of SEBI Listing Regulations, Register of Members and Share Transfer Books will remain closed from Saturday, July 23, 2022 to Tuesday, July 26, 2022 (both days inclusive) for the purpose of Annual General Meeting and Payment of Dividend.

The above information is also available on the website of the Company at <https://www.techmahindra.com/en-in/investors/>

This is for your information and records.

Thanking you,

**For Tech Mahindra Limited**

  
**Anil Khatri**  
Company Secretary



**Encl: as above**

**TECH MAHINDRA LIMITED**  
**CIN: L64200MH1986PLC041370****Regd. Office:** Gateway Building, Apollo Bunder, Mumbai - 400 001**Tel.:** +91 22 6897 5500 **Fax.:** +91 022 2202 8780 **E-mail:** investor.relations@techmahindra.com**Website:** www.techmahindra.com**NOTICE**

**NOTICE** is hereby given that the Thirty Fifth Annual General Meeting of the members of Tech Mahindra Limited will be held on Tuesday, the 26<sup>th</sup> day of July, 2022 at 3.30 p.m. IST through Video Conference (“VC”)/ Other Audio Visual Means (“OAVM”), 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, 2022 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, 2022 and the Report of the Auditors thereon.

**3. Declaration of Dividend**

To confirm the Interim (Special) Dividend paid on Equity Shares and to declare a Final Dividend (including Special Dividend) on Equity Shares for the financial year ended 31<sup>st</sup> March, 2022.

**4. Appointment of Mr. C. P. Gurnani (DIN: 00018234) as a Director liable to retire by rotation**

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

**5. Appointment of Statutory Auditors**

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

**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. B S R & Co. LLP, Chartered Accountants, [ICAI Firm's Registration No. 101248W/W-100022] be and are hereby appointed as the Statutory Auditors of the Company, for a further term of five (5) consecutive years to hold office from the conclusion of this Annual General Meeting, until the conclusion of the Annual General Meeting of the Company for the financial year 2026-27 on such remuneration, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.

**SPECIAL BUSINESS:****6. Appointment of Ms. Penelope Fowler (DIN: 09591815) 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 of the Companies Act, 2013 (the "Act") and the rules framed thereunder, Ms. Penelope Fowler (DIN: 09591815), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 13<sup>th</sup> May, 2022 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 the 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. Penelope Fowler (DIN: 09591815), 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 26<sup>th</sup> July, 2022.

**7. Re-Appointment of Mr. C. P. Gurnani (DIN: 00018234) as a Managing Director and CEO of the Company**

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

**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 203 and all other applicable provisions of the Companies Act, 2013 and the rules framed thereunder including any statutory modification(s) or re-enactment(s) thereof for the time being in force, read with Schedule V to the Companies Act, 2013 and pursuant to Article 115 of the Articles of Association of the Company, and based on the recommendations of the Nomination and Remuneration Committee Mr. C. P. Gurnani (DIN: 00018234) be and is hereby re-appointed as Managing Director and CEO of the Company (MD & CEO), for the period from 10<sup>th</sup> August 2022 to 19<sup>th</sup> December, 2023 on the terms and conditions including remuneration as detailed hereunder with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Nomination & Remuneration Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions and / or remuneration, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

**Remuneration**

Compensation consisting of a fixed compensation and a variable commission as follows:

- (1) **Fixed Compensation:** A monthly fixed compensation of ₹ 58,33,333/- [Yearly compensation ₹ 7,00,00,000/- (Rupees Seven Crore)] will be paid in accordance with the Company's normal payroll procedures. The fixed compensation will include the costs of perquisites valued on a cost to company basis.
- (2) **Variable Commission based on Performance:** The MD & CEO will be eligible to receive a commission up to ₹ 3,00,00,000/- (Rupees Three Crore) annually, as determined by the Company's Nomination & Remuneration Committee in its sole discretion, based on performance of the MD & CEO against agreed annual goals. The Nomination & Remuneration Committee in its sole discretion may decide to pay higher variable commission subject to limits on overall compensation laid down in Schedule V to the Companies Act, 2013. The variable commission for the period 10<sup>th</sup> August 2023 to 19<sup>th</sup> December 2023 will be paid on pro rata basis.

- (3) In addition to the above, the appointee shall be entitled to 1,70,819 Stock Options which would be granted on 10<sup>th</sup> August, 2022 in accordance with the ESOP 2018 Scheme of the Company. The Nomination and Remuneration Committee, based upon the performance of Mr. C. P. Gurnani over the last 10 years and considering his retirement on 19<sup>th</sup> December, 2023 and in terms of the authority pursuant to Clause 3 of the ESOP 2018 Scheme, has reduced the vesting period of the Stock Options granted to Mr. C. P. Gurnani and the vesting schedule as under:

Vesting No.	Vesting Period	Number of Options	Period of Expiry
I	One year from the date of Grant (09 <sup>th</sup> August, 2023)	42,705	18 <sup>th</sup> June, 2024
II	On 19 <sup>th</sup> December, 2023	1,28,114	

- (4) Contribution to Provident Fund, Superannuation Fund, National Pension Scheme, Gratuity as per the rules of the Fund/ Scheme in force from time to time would not be included in the computation of ceiling on remuneration to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
- (5) Encashment of earned leave at the end of the tenure as per the rules of the Company shall not be included in the computation of ceiling on remuneration

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits, in any financial year, the remuneration by way of salary and commission payable to the Managing Director & CEO shall not exceed the limits prescribed under the Companies Act, 2013, and the rules made there under or any statutory modification or re-enactment thereof.

**RESOLVED FURTHER THAT** any Director of the Company or Company Secretary be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.

**By Order of the Board  
For Tech Mahindra Limited**

**Place: Mumbai  
Date: 13<sup>th</sup> May, 2022**

**Anil Khatri  
Company Secretary**

**Notes:**

- a. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the "Act") setting out material facts concerning the business under item no. 6 & 7 of the Notice is Annexed hereto. Further, additional information with respect to item no. 5 is also annexed hereto as required under Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. ('the Listing Regulations').
- b. In view of the outbreak of COVID-19 pandemic, social distancing measures are a pre-requisite and in terms of Ministry of Corporate Affairs ("MCA") in continuation to previous Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, Circular No. 02/2021 dated 13<sup>th</sup> January, 2021, Circular No. 21/2021 dated 14<sup>th</sup> December, 2021, further extended the relaxation vide Circular dated 5<sup>th</sup> May 2022 ("MCA Circulars") and The Securities and Exchange Board of India ("SEBI") has also issued circular in continuation to previous Circular dated 12<sup>th</sup> May, 2020, further extended the relaxation vide Circular dated 15<sup>th</sup> January, 2021 and 13<sup>th</sup> May, 2022, which does not require physical presence of the Members at common venue. In view of this, the thirty fifth Annual General Meeting (AGM) is being conducted through Video Conference ("VC")/ Other Audio Visual Means ("OAVM"). The deemed venue for the AGM shall be the Registered Office of the Company.
- c. A member entitled to vote at the AGM is entitled to appoint proxy to attend and vote on his/her behalf and proxy need not be a member. In terms of MCA Circulars, since physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, facility of appointment of proxies by Members under Section 105 of the Companies Act, 2013 will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
- d. Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM and the Members can join the AGM by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available on first come first serve basis.
- e. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- f. The Register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection without any fee by the members during the AGM. Members seeking to inspect such documents can send an email to investor.relations@techmahindra.com
- g. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 23<sup>rd</sup> July, 2022 to Tuesday, 26<sup>th</sup> July, 2022 (both days inclusive) for the purpose of AGM and payment of Final Dividend (Including Special Dividend) to be declared.
- h. The Board of Directors has recommended Final Dividend of ₹ 30/- (Including Special Dividend of ₹15/-) per Equity Share for the year ended 31<sup>st</sup> March, 2022 that is proposed to be paid by 9<sup>th</sup> August, 2022, subject to the approval of shareholders. This is in addition to Interim Dividend (Special dividend of ₹ 15/- per equity share paid on 22<sup>nd</sup> November, 2021). If the special and final dividend is approved, the aggregate dividend to shareholders for the financial year 2021-22 would be ₹45/- per share.
- i. Further in order to receive dividend in a timely manner, Members who have not updated their mandate for receiving dividends directly in their bank accounts through Electronic Clearing Service or any other means can register their Electronic Bank Mandate to receive dividends by following the below process:-
  - Members holding shares in Physical mode may visit and update the details at [https://linkintime.co.in/EmailReg/Email\\_Register.html](https://linkintime.co.in/EmailReg/Email_Register.html) along with required supporting documents by Wednesday, 20<sup>th</sup> July, 2022 (upto 6.00 p.m. IST) along with scan copy of following details / documents:-

- A signed request letter mentioning your name (as recorded on the share certificate), folio number, complete address, scanned copy of the share certificate (front and back), along with:-
  1. Name and Branch of Bank and Bank Account Type
  2. Bank account Number allotted by your Bank after implementing Core Banking Solutions
  3. 11 digits IFSC Code
  4. 9 digit MICR Code Number
  5. Self-attested scan copy of cancelled cheque bearing the name of the Member or First Holder
  6. Self-attested scan copy of PAN and AADHAAR Card.

Alternatively, members can send an email to [pune@linkintime.co.in](mailto:pune@linkintime.co.in)
- Members holding shares in Demat form, please update your Electronic Bank Mandate through the Depository Participants.
- j. In case the Company is unable to pay dividend to any Member directly in their bank account through Electronic Clearing Services or any other means due to non-registration of Electronic Bank Mandate, the Company shall dispatch the dividend warrants to such member.
- k. As per Indian Income Tax Act, 1961 dividend paid and distributed by a Company is taxable in the hands of shareholders. Therefore, the Company is required to deduct taxes at source (TDS) at the rates applicable on the amount distributed to the shareholders at prescribed rates. For information on prescribed rates, shareholders requested to refer to the Finance Act, 2020 and subsequent amendments thereof. The shareholders are requested to update their PAN details, tax residential status with Registrar and Transfer Agents (RTA) (in case of shares held in physical mode) and depository participants (in case shares held in demat mode). However, no tax shall be deducted on the dividend payable to a resident individual shareholder if the total dividend to be received during FY 2022-23 does not exceed ₹ 5,000/-. The withholding tax rate (TDS rate) would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company.

Further, as per the Finance Act 2021, Section 206AB has been inserted w.e.f. 1<sup>st</sup> July, 2021 wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a 'Specified Person' defined under the provisions of the aforesaid section.

A resident individual shareholder with PAN who is not liable to pay income tax can submit a yearly declaration in Form 15G/15H, to avail the benefit of non-deduction of tax, members may send duly signed forms to Company's RTA at <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> or send an email to [pune@linkintime.co.in](mailto:pune@linkintime.co.in) by Friday, 22<sup>nd</sup> July, 2022 (upto 6.00 p.m. IST). Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by updating details at <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> alternatively send an email to [pune@linkintime.co.in](mailto:pune@linkintime.co.in). The said declarations need to be submitted by Friday, 22<sup>nd</sup> July, 2022 (up to 6.00 p.m. IST).

The Company is not obligated to apply the beneficial Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non-Resident shareholder and review to the satisfaction of the Company.

Shareholders who are exempted from TDS provisions through any circular or notification may provide documentary evidence in relation to the same, to enable the Company in applying the appropriate TDS on Dividend payment to such shareholder.

On the said link, the user shall be prompted to select / share the following information to register their request: -

1. Select the Company (Dropdown)
2. Folio / DP-Client ID
3. PAN
4. Financial year (Dropdown)
5. Form selection
6. Document attachment – 1 (PAN)
7. Document attachment – 2 (Forms)
8. Document attachment – 3 (Any other supporting document)

Incomplete and/or unsigned forms and declarations will not be considered by the Company. All communications/ queries in this respect should be addressed to the RTA, by email to [tmltaxexemption@linkintime.co.in](mailto:tmltaxexemption@linkintime.co.in) and Exemption Forms if forwarded to this email id will not be considered for the purpose of processing. Shareholders who have uploaded exemption forms (valid in all respect) on the portal are also required to forward the original form to the Company.

- l. The Company's RTA for its share registry work (Physical and Electronic) is Link Intime India Private Limited.
- m. Members can avail the facility of nomination in respect of securities held by them in physical form pursuant to the provision of Section 72 of the Act. Members desiring to avail 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.
- n. Pursuant to Regulation 44(6) of SEBI Listing Regulations, the Company shall provide live webcast of proceedings of AGM from 3.30 p.m. IST onwards on Tuesday 26<sup>th</sup> July, 2022 for the shareholders. 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. Members are requested to –
  - i. intimate to the DP, changes if any, in their names, registered addresses, email address, telephone/mobile numbers, and/or changes in their bank account details, if the shares are held in dematerialized form.
  - ii. intimate to the Company's RTA, changes if any, in their names, registered addresses, email address, telephone/mobile numbers, and/or changes in their bank account details, if the shares are held in physical form (share certificates).
  - iii. consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.

- iv. 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 dematerialized 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 RTA viz., Link Intime India Private Limited, Pune (Tel. No. 020 26160084) for assistance, if any, in this regard.
- p. Since the AGM will be held through VC/OAVM, the route map is not annexed with the Notice.
- q. 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.
- r. 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.
- s. Members are requested to refer to the Corporate Governance Report for information in connection with the unpaid / unclaimed dividend 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) Second Amendment Rules, 2019.

Pursuant to 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 online application in the prescribed Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending original documents enumerated in Form IEPF-5 duly signed to the Company along with Form IEPF- 5 for verification of claim.

**Members who have not yet encashed their dividend warrant(s) pertaining to the final dividend for the financial year 2014-15 onwards are requested to lodge their claims with RTA immediately. It may be noted that the unclaimed Final Dividend for the financial year 2014-15 declared by the Company on 28<sup>th</sup> July, 2015 can be claimed by the Members up to 25<sup>th</sup> August, 2022.**

- t. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants, and members holding shares in physical mode are requested to update their email addresses with the RTA by emailing to [pune@linkintime.co.in](mailto:pune@linkintime.co.in) immediately to receive copies of Annual Report in electronic mode.
- u. Shareholders may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at [investor.relations@TechMahindra.com](mailto:investor.relations@TechMahindra.com).



- v. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/ HO/MIRSD/ MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021. The aforesaid communication is also intimated to the stock exchanges and available on the website of the Company. Attention of the Members holding shares of the Company in physical form is invited to go through the said important communication under the weblink at <https://insights.techmahindra.com/investors/kyc-updation-physical-shareholders.pdf>
- w. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website under the weblink at <https://insights.techmahindra.com/investors/kyc-updation-physical-shareholders.pdf>

Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.

**x. 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, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and MCA Circulars, the Company is pleased to provide members facility to exercise their right to vote during the AGM by electronic means on all the Resolutions set forth in the notice through e-Voting Services provided by National Securities Depository Limited ("NSDL").

The remote e-voting period commences on Friday, 22<sup>nd</sup> July, 2022 (9:00 a.m. IST) and ends on Monday, 25<sup>th</sup> July, 2022 (5:00 p.m. IST). 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., Tuesday, 19<sup>th</sup> July, 2022, 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. Tuesday, 19<sup>th</sup> July, 2022.

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 during the AGM through electronic means.

Any person holding shares in physical form and non-individual shareholders who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of cut-off date, may obtain the login id and password by sending a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company

after sending of the Notice and holding shares as of the cut-off date i.e. Tuesday, 19<sup>th</sup> July, 2022 may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”.

Further, pursuant to SEBI Circular dated 9<sup>th</sup> December, 2020, to eradicate the hardship caused to the shareholders of remembering login credentials of various e-voting service providers (ESPs), the SEBI has mandated to provide the facility of using single login credentials with various ESPs. This means shareholders can avail the e-voting facility of various ESPs through their single login credentials, this will help in non-creation of login credentials again and again.

Mr. Jayavant B. Bhawe, Practicing Company Secretary (FCS: 4266 CP: 3068) and Proprietor M/s. J B Bhawe & 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 during the general meeting, will first count the votes cast during the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, who will be 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 INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

**The remote e-voting period begins on Friday, 22<sup>nd</sup> July, 2022 (9:00 a.m. IST) and ends on Monday, 25<sup>th</sup> July, 2022 (5:00 p.m. IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, 19<sup>th</sup> July, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, 19<sup>th</sup> July, 2022.**

#### **How do I vote electronically using NSDL e-Voting system**





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

#### **Step 1: Access to NSDL e-Voting system**

#### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> </ol>
	<ol style="list-style-type: none"> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; align-items: center;"> <div style="text-align: center; margin-right: 20px;">  <b>App Store</b> </div> <div style="text-align: center; margin-right: 20px;">  <b>Google Play</b> </div> </div> <div style="display: flex; justify-content: center; align-items: center; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> </ol>
	<ol style="list-style-type: none"> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on NSDL to cast your vote.</li> </ol>
	<ol style="list-style-type: none"> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> </ol>
	<ol style="list-style-type: none"> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**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 ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.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 For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - 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. 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, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.
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 [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
4. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

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

**General 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 [jbhhave@gmail.com](mailto:jbhhave@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “**Upload Board Resolution / Authority Letter**” displayed under “e-Voting” tab in their login.
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 [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), Aadhaar (self attested scanned copy of Aadhaar Card) by email to [investor.relation@techmahindra.com](mailto:investor.relation@techmahindra.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), Aadhaar (self attested scanned copy of Aadhaar Card) to [investor.relations@techmahindra.com](mailto:investor.relations@techmahindra.com) If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**By Order of the Board  
For Tech Mahindra Limited**

**Place: Mumbai  
Date: 13<sup>th</sup> May, 2022**

**Anil Khatri  
Company Secretary**

**ADDITIONAL INFORMATION PURSUANT TO REGULATION 36(5) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 / EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS, PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013****Item No. 5 Appointment of Statutory Auditors**

The members of the Company at 30<sup>th</sup> Annual General Meeting (AGM) held on 1<sup>st</sup> August, 2017 had appointed M/s. B S R & Co. LLP, Chartered Accountants [ICAI Firm's Registration No. 101248W/W-100022], (hereinafter referred to as "BSR") as the Statutory Auditors of the Company to hold office from the conclusion of 30<sup>th</sup> AGM until the conclusion of the 35<sup>th</sup> AGM of the Company. Accordingly, the present term of BSR as Statutory auditors of the Company shall conclude at the 35<sup>th</sup> AGM.

Pursuant to Section 139 (2) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (Rules), a Listed Company shall not appoint or reappoint an individual as auditor for more than one term of 5 consecutive years and an audit firm as auditor for more than two terms of 5 consecutive years.

Since, BSR will be completing their present term of 5 years at the conclusion of the 35<sup>th</sup> AGM, the Board of Directors based on the recommendation of the Audit Committee, at their meeting held on 13<sup>th</sup> May, 2022 considered the matter relating to re-appointment of the Statutory Auditors and have unanimously recommended appointment of M/s. B S R & Co. LLP (ICAI Firm's Registration No. 101248W/W-100022) as statutory auditors of the Company to hold office for a consecutive term of 5 years from the conclusion of the 35<sup>th</sup> Annual General Meeting of the Company till the conclusion of the 40<sup>th</sup> Annual General Meeting, in accordance with the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

M/s. B S R & Co. LLP, Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that, they are not disqualified to be appointed as Statutory Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

The details required to be disclosed under provisions of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

- a) Proposed fees payable to the statutory auditor(s):** The Board of Directors of the Company, on recommendation of the Audit Committee, and subject to approval of the members of the Company at the AGM, have approved to pay a fee of ₹ 48.9 million plus applicable taxes and re-imbursalment of the out of pocket expenses, outlays and taxes, as may be incurred by the Auditors during the course of Audit/Limited Review for the financial year ended 31<sup>st</sup> March, 2023. The Board of Directors and the audit committee shall approve revisions to the remuneration of the statutory auditors for the remaining part of the tenure.

The fees for other services not prohibited by the provisions of Section 144 of the Companies Act, 2013 shall be mutually agreed between the Company and Statutory Auditors.

The Board of Directors of the Company (including the Audit Committee of the Board or any officer of the Company authorised by the Board) in consultation with the Statutory Auditors, are authorised to alter and vary the terms and conditions including remuneration of the Statutory Auditors arising out of increase in scope of work, amendments to Accounting Standards or Listing Regulations and such other requirements resulting in the change in scope of work, etc.

- b) Terms of appointment:** The appointment of the Statutory Auditors shall be from the conclusion of the 35<sup>th</sup> AGM up to conclusion of the 40<sup>th</sup> AGM. The Letter of Engagement specifying the detailed

terms of appointment shall be finalized by the Audit Committee of the Board or any officer of the Company pursuant to the Authority given by the Board of Directors of the Company and such terms shall specifically include the conditions as mentioned in para 6(A) and 6(B) of the SEBI circular dated 18<sup>th</sup> October, 2019 bearing reference no. CIR/ CFD/CMD1/114/2019 and such other conditions as may be specified by applicable law in force.

- c) Details in relation to and credentials of the Statutory Auditors proposed to be appointed:** B S R & Co. was constituted on 27<sup>th</sup> March, 1990 as a partnership firm having firm registration no. 101248W. It was converted into limited liability partnership i.e., B S R & Co. LLP on 14<sup>th</sup> October, 2013 thereby having a new firm registration no. 101248W/W-100022. The registered office of the firm is at 14<sup>th</sup> Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Centre, Western Express Highway, Goregaon (East), Mumbai- 400063. B S R & Co. LLP is a member entity of B S R & Associates, a network registered with the Institute of Chartered Accountants of India. B S R & Co. LLP is registered in Mumbai, Gurgaon, Bangalore, Kolkata, Hyderabad, Pune, Chennai, Chandigarh, Ahmedabad, Vadodara, Noida, Jaipur and Kochi. B S R & Co. LLP has over 3000 staff and 100+ Partners.
- d) Basis of recommendation for appointment:** The Board of Directors and Audit Committee, at their meeting held on 13<sup>th</sup> May, 2022 considered appointment of BSR and approved and recommended the same unanimously for consideration of the members. While considering the appointment, the Board and the Audit Committee taken into account the qualification and experience of the Auditors and have given due regard to the order or pending proceedings relating to professional matters of conduct against BSR before the Institute of Chartered Accountants of India and before Court of Law and were of the opinion that the qualification and experience of M/s. B S R & Co. LLP is commensurate with the size and requirements of the Company, and accordingly have recommend their re-appointment to the members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this item.

The Board recommends the Ordinary Resolution as set out in Item No. 5 of this Notice for approval of the Members.

#### **Item No. 6 Appointment of Ms. Penelope Fowler (DIN: 09591815) as an Independent Director**

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors appointed Ms. Penelope Fowler (DIN: 09591815) as an Additional Director with effect from May 13, 2022. Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (the "Act"), Ms. Fowler 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. Fowler, for the office of Director of the Company.

Ms. Fowler has rich and diverse experience across various organizations. Brief profile of Ms. Fowler 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. Fowler is mentioned in the annexure which forms part of this notice.

The Company has received declaration from Ms. Fowler 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. Fowler 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. Fowler 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. Fowler as an Independent Director for a term of 5 (five) consecutive years from 26<sup>th</sup> July, 2022. 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.

Ms. Fowler 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 financially or otherwise in the resolution set out as Item No. 6.

The Board recommends the Special Resolution as set out in Item No. 6 of this Notice for approval of the Members.

### **Item No. 7 Re-Appointment of Mr. C. P. Gurnani (DIN: 00018234) as a Managing Director and CEO of the Company**

The Members in the 31<sup>st</sup> Annual General Meeting held on 31<sup>st</sup> July, 2018 had appointed Mr. C. P. Gurnani as Managing Director & CEO of the Company for a period of 5 Years i.e. from 10<sup>th</sup> August, 2017 to 9<sup>th</sup> August, 2022.

The Board of Directors in its Meeting held on 13<sup>th</sup> May, 2022 on the basis of recommendation of the Nomination & Remuneration Committee considering the performance of Mr. C. P. Gurnani, Managing Director & CEO over the last 10 years & his contribution to the growth of the Company, re-appointed Mr. C. P. Gurnani as Managing Director & CEO of the Company for a period from 10<sup>th</sup> August 2022 to 19<sup>th</sup> December, 2023 subject to the approval of the Members in the ensuing Annual General Meeting.

Pursuant to the provisions of Section 160 (1) of the Act, the Company has received a notice in writing from a Member proposing the candidature of Mr. C. P. Gurnani for the office of Director of the Company.

### **Brief Terms & Conditions of appointment as Managing Director and CEO –**

#### **Remuneration**

Compensation consisting of a fixed compensation and a variable commission as follows:

- (1) **Fixed Compensation:** A monthly fixed compensation of ₹ 58,33,333/- [Yearly compensation ₹ 700,00,000/- (Rupees Seven Crore)] will be paid in accordance with the Company's normal payroll procedures. The fixed compensation will include the costs of perquisites valued on a cost to company basis.
- (2) **Variable Commission based on Performance:** The MD & CEO will be eligible to receive a commission up to ₹ 3,00,00,000/- (Rupees Three Crore) annually, as determined by the Company's Nomination & Remuneration Committee in its sole discretion, based on performance of the MD & CEO against agreed annual goals. The Nomination & Remuneration Committee in its sole discretion may decide to pay higher variable commission subject to limits on overall compensation laid down in Schedule V to the Companies Act, 2013. The variable commission for the period 10<sup>th</sup> August 2023 to 19<sup>th</sup> December 2023 will be on pro rata basis.
- (3) In addition to the above, Mr. C. P. Gurnani shall be entitled to 1,70,819 Stock Options which would be granted on 10<sup>th</sup> August, 2022 in accordance with the ESOP 2018 Scheme of the Company. The Nomination and Remuneration Committee, based upon the performance of Mr. C. P. Gurnani over the last 10 years and considering his retirement on 19<sup>th</sup> December, 2023 and in terms of the authority pursuant to Clause 3 of the

ESOP 2018 Scheme, has reduced the vesting period of the Stock Options granted to Mr. C. P. Gurnani and the vesting schedule is as under:

Vesting No.	Vesting Period	Number of Options	Period of Expiry
I	One year from the date of Grant (09 <sup>th</sup> August, 2023)	42,705	18 <sup>th</sup> June, 2024
II	On 19 <sup>th</sup> December, 2023	1,28,114	

- (4) Contribution to Provident Fund, Superannuation Fund, National Pension Scheme, Gratuity as per rules of the Fund/ Scheme in force from time to time would not be included in the computation of ceiling on remuneration to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
- (5) Encashment of earned leave at the end of the tenure as per Rules of the Company shall not be included in the computation of ceiling on remuneration

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

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

The Board recommends the Ordinary Resolution as set out in Item No. 7 of this Notice for approval of the Members.

**DETAILS PURSUANT TO 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.****Ms. Penelope Fowler (DIN: 09591815)**

Ms. Penelope Fowler, age 59 years is an experienced company director who sits on a number of boards across the public, private & not for profit sectors.

Ms. Fowler is Chairman at The Herald and Weekly Times—a role she was appointed to in July 2013. She also acts as News Corp Australia's Community Ambassador. She is deeply and passionately involved in building on the company's legacy of supporting the communities within which we live and work.

Ms. Fowler is Chairman at the Royal Children's Hospital Good Friday Appeal and Deputy Chairman at The Royal Botanic Gardens Victoria. She is also a board member of The Australian Ballet along with Tourism Australia. She is Chair of The National Portrait Gallery. She is also a member of advisory board of Visy/Pratt USA and the Bank of Melbourne Foundation.

Ms. Fowler also acts as News Corp Australia's Community Ambassador. Her involvement in building on the company's legacy of supporting the communities within which we live and work is an area she is passionate about.

A graduate of the Australian Institute of Company Directors, Ms. Fowler holds a Bachelor of Business degree from Monash (Chisholm) University and is a CEW (Chief Executive Women) member.

She was appointed as Director w.e.f. May 13, 2022. Being a Non-Executive Independent Director she will be entitled for commission out of the profits of the Company.

Ms. Fowler 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.

Ms. Fowler is not holding any directorship in listed entities and has not resigned as Director from any Listed entities.

The Board of Directors considers that her association would be of immense benefit to the Company, and it is recommended to appoint Ms. Fowler as an Independent Non-Executive Director for a term of five consecutive years. Ms. Fowler would bring with her immense experience to the Company in the areas of corporate governance, strategy, sustainability, ESG amongst others.

**Mr. C. P. Gurnani (DIN: 00018234)**

Mr. C. P. Gurnani is the Managing Director and Chief Executive Officer of Tech Mahindra Limited. A lifelong learner and a disrupter, CP is an accomplished business leader with extensive experience in international business development, start-ups and turnarounds, joint ventures, mergers and acquisitions. He led Tech Mahindra's transformation journey, and one of the biggest turnarounds of Indian corporate history – the acquisition and merger of Satyam, which has also been featured as a case study by Harvard Business.

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

In a career spanning over 40 years, Mr. C. P. Gurnani has held several leading positions with Hewlett Packard, Perot Systems (India) and HCL Corporation. Mr. C. P. Gurnani has also served as a Chairman of NASSCOM for the year 2016-2017. He is also on the Board of Mahindra & Mahindra Limited, a promoter of Tech Mahindra. An outstanding people manager, Mr. C. P. Gurnani has an entrepreneurial style of management that is a blend of enthusiasm and dynamism. He has always focused on his team's strength to bring out the best in them. 'Work hard and play hard' is his motto and he applies it to all aspects of his life with complete passion.

A chemical engineering graduate from the National Institute of Technology, Rourkela, Mr. C. P. Gurnani is a distinguished and active alumnus of the Institute. He has also been felicitated with an honorary doctorate degree by Veer Surendra Sai University of Technology and Sharda University. His passion for education is resonated in the various honorary positions he holds. He is on the board of Mahindra Educational Institutions (MEI) and a member of the Board of Management of Mahindra University, a private university promoted by MEI to educate future citizens for and of a better world. He is also Chairman at IIM Nagpur and Founding Trustee at Plaksha University.

Mr. C. P. Gurnani's clinical leadership strategies have always been honoured across various platforms over the years. His endeavours have won him numerous accolades, such as winning Gold at the CEO World Awards 2018 for his organization-wide reskilling initiative, and being conferred the Best CEO Awards 2019 in IT and ITES by Business Today. He has been recognized as the 'Icon of India' by VARINDIA and 'Influential Leader of New India' by CNNNews18 in 2021, 'Asia One Global Indian of the Year - Technology' in 2016, 'Best CEO of the Year' at the Forbes India Leadership Awards in 2015, Business Standard's 'CEO of the Year' in 2014, Ernst and Young's 'Entrepreneur of the Year', CNBC Asia's 'India Business Leader of the Year', Dataquest 'IT person of the Year' in 2013.

Mr. C. P. Gurnani has been conferred with CEO's Choice 'Lifetime Achievement Award' 2021 – the nation's highest independent civilian honour – instituted by SKOCH Group and CEO's Association for Inclusive India (CAII). He was listed among the top 100 global CEOs by The Wall Street Journal CEO Council in 2016, and awarded 'Corporate Leader of the Year' at the 14<sup>th</sup> (I-ACE) Awards 2018.

Mr. C. P. Gurnani has also been recognized as 'Inspiring CEO' at The Economic Times CEO Conclave, and as 'Leader of the Year' in IT at CEO Today Magazine Middle East Awards in 2021.

Mr. C. P. Gurnani strongly believes in promoting child education. He is on the Board of Tech Mahindra Foundation – launched in 2007 to help the underprivileged children with around 116,000 beneficiaries. CP, along with his wife Anita, have founded 'Titliyan', an NGO located in Noida spreading smiles, happiness and education to more than 240 under privileged children – a dream project for the Gurnanis.

Mr. C. P. Gurnani is 63 years old and holds 73,74,059 shares in the Company.

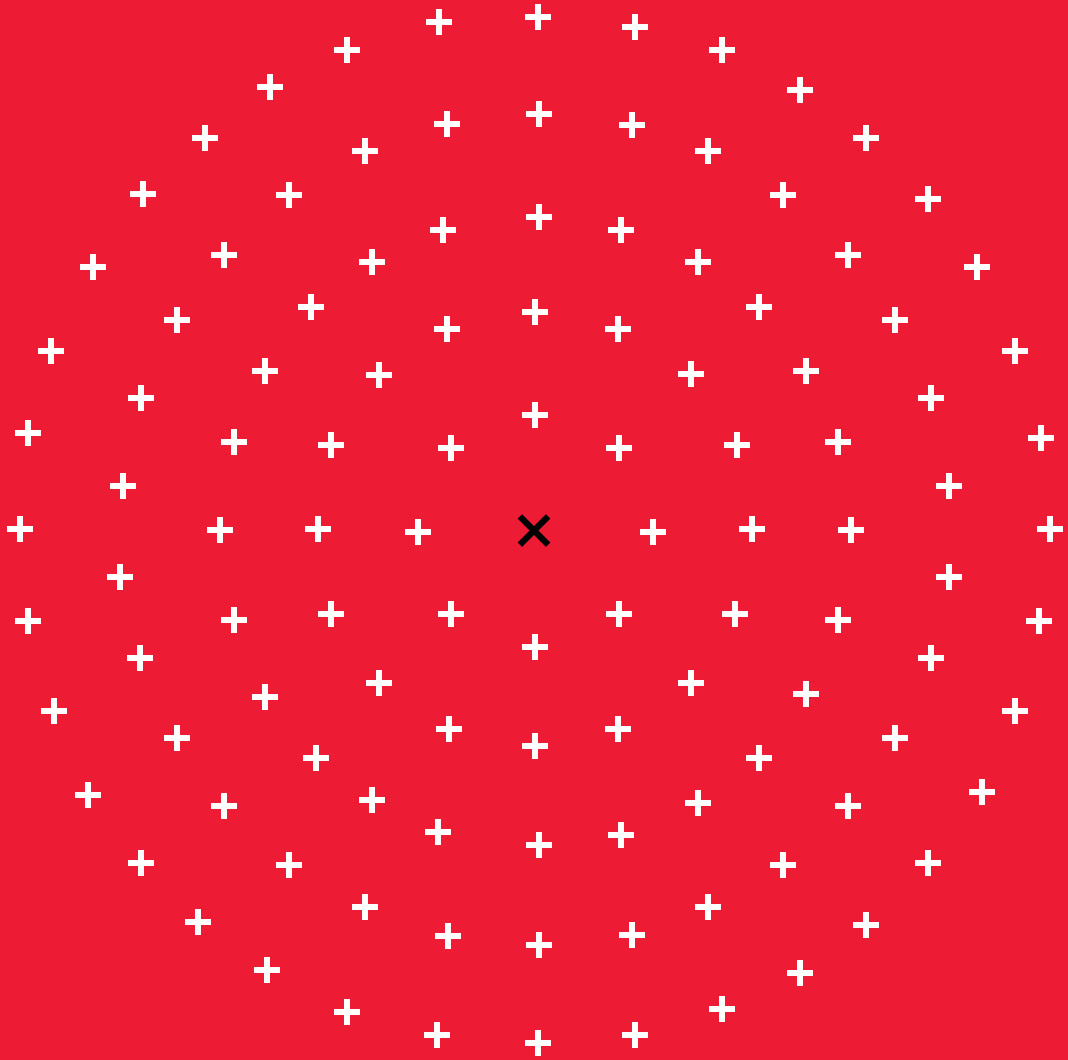
During the year, four Board Meetings were held and Mr. C. P. Gurnani has attended all the meetings. Mr. C. P. Gurnani is Chairman of Corporate Social Responsibility Committee of the Company and member of Stakeholders Relationship Committee, Investment Committee and Securities Allotment Committee.

Mr. C. P. Gurnani 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.

Mr. C. P. Gurnani is not related to any other Directors of the Company or Key Managerial Personnel or their relatives.



Purpose. People. Performance.



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## Corporate Overview

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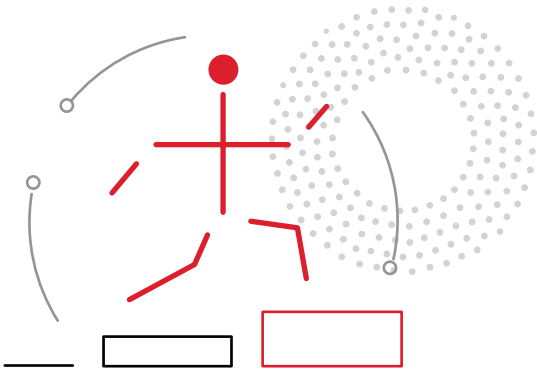


To see the report online, or for any other information log on to [techmahindra.com](http://techmahindra.com)



**Purpose**

Our purpose is to challenge conventional thinking and innovatively use our resources to drive positive changes in the lives of our stakeholders and communities across the world, to enable them to Rise. We have built our business around this purpose. We use our technology expertise and innovation capabilities to deliver best-in-class solutions which help our clients to achieve competitive dominance, and simultaneously contribute to the betterment of humanity by improving the social, environmental, and economic fabric of society. We take bold bets on futuristic technologies supported by our partners to progress towards a better tomorrow.



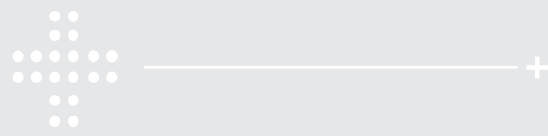
**Performance**

Consistent performance embodies our enterprising spirit and excites us. We demonstrate it through actions around operational efficiency, new-age delivery, automation, efficient capital allocation and upskilling which enable us to deliver holistic and sustainable performance while upholding the highest of governance standards.



**People**

Our people-centricity is exemplified in our intent and capacity to deliver value to all stakeholders - holistic development for communities, and competitive dominance to clients, growth and business opportunities to value chain partners, and sustained returns to investors and shareholders. But it is our employees, whose passion and dedication enables us to deliver on our purpose, that we most focus on. We are investing in their skills and holistic well-being, and building a flexible and inclusive workforce, thus creating a high performance culture, with focus on action and extreme ownership.



**At Tech Mahindra, our focus on Purpose, People and Performance enables us to create sustainable value for all stakeholders. They make us a Company that is trusted by customers, valued by shareholders & society and cherished with pride by employees.**



# Approach to Reporting

## About the Report

This is Tech Mahindra’s Integrated Annual Report published for Financial Year ending March 31, 2022. In this Report, we discuss details on financial and non-financial performance of business on how we are creating value for our stakeholders. We also provide material information relating to our strategy and business model, operating context, material risks and opportunities, stakeholder interests, performance, prospects and governance.

## Financial and Non-Financial Reporting

The Report primarily caters to the shareholders. Information coverage in the Report extends beyond financial reporting and includes non-financial performance, opportunities, risks and outcomes that may impact our ability to create value and thus influence stakeholders’ decisions.

## Reporting Frameworks, Principles and Approach

The Report is prepared in accordance with principles of Integrated Reporting Framework of the Value Reporting Foundation (erstwhile International Integrated Reporting Council (IIRC)). Its guiding principles of strategic focus and future orientation, consistency and comparability, reliability and completeness, connectivity of information, stakeholder relationships and materiality have been appropriately considered for preparing the contents.

The Report embeds the principle of Accountability. Our leaders are accountable for the Company’s actions and are the custodians of our governance framework.

We have identified material topics and aligned them with our roadmap and targets, policies and procedures, and our strategy to create value for all our stakeholders. Materiality helps us to provide a transparent and in-depth view of our business activities. Our success is dependent on stakeholder relationships. Their views have been duly considered in the process of identification of the reporting boundary as well as material assessment.

The KPIs used for reporting on the Capitals are based on GRI (Global Reporting Initiative) Standards issued by Global Sustainability Standards Board (GSSB) and SASB. The Report follows the principles laid down by TCFD (Task Force on Climate-related Financial Disclosures), UN SDG (United Nations Sustainable

Development Goals) and UNGC (United Nations Global Compact) framework. The Report forms the basis of our Communication on Progress (CoP) with the UN Global Compact (UNGC) each year.

The statutory statements and Financial Reports are also a part of this document. They are presented in line with the requirements of the Companies Act, 2013 (including the rules made thereunder), Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable secretarial standards.

**Guiding Principles**

MATERIALITY, ACCOUNTABILITY, STAKEHOLDER

+

**STRATEGIC FOCUS & FUTURE ORIENTATION**  
Insights on how our strategy influences our ability to create value

+


**CONSISTENCY & COMPARABILITY**  
Year-on-year Comparability demonstrates performance and progress

+

**RELIABILITY & COMPLETENESS**  
Reliability that the material priorities are considered in a balanced manner

+

**CONNECTIVITY OF INFORMATION**  
A holistic view on both financial and non financial matters that impact our business



## Board Responsibility Statement

The Board of Directors (BoD) takes responsibility for the integrity of this Report. The Executive Management assisted by a dedicated reporting team are responsible for drafting the Report. The Board has applied their collective mind in preparing and presentation of the Report's content. The Report provides a balanced and appropriate presentation of material matters that can impact the Company's ability to create value over time and the strategic orientation whose implementation is overseen by the Board. This Report exemplifies our ability to deliver on our strategic orientations and thus achieve desired results.

## Report Boundary

In determining the boundary, we considered two aspects, the financial reporting entities of Tech Mahindra; and risks, opportunities attributable to value creation beyond the financial reporting boundary. The scope of the Report includes Tech Mahindra's India and global operations and its subsidiary companies. For the Scope 1, Scope 2 and Scope 3 reporting, the boundary is confined to global operations where the employee count is more than 50.

## External Assurance

This Report has been assured by Third Party Auditor - KPMG. The scope and basis of assurance have been described in the Assurance Statement issued by KPMG.



## Our Six Capitals



### Financial Capital

[Read more](#)  
Pg. 94



### Intellectual Capital

[Read more](#)  
Pg. 97



### Human Capital

[Read more](#)  
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### Social & Relationship Capital

[Read more](#)  
Pg. 131



### Service Capital

[Read more](#)  
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### Natural Capital

[Read more](#)  
Pg. 169

About Tech Mahindra

# Delivering Future, Sustainably

**TECH MAHINDRA IS WELL-PLACED TO ENABLE THE CLIENTS WIN IN A CHANGING WORLD. OUR INVESTMENTS IN BECOMING LOCAL ACROSS COUNTRIES, BUILDING TECHNOLOGY CAPABILITIES THROUGH UPSKILLING EMPLOYEES AND SYNERGISTIC ACQUISITIONS AND STRONG INNOVATION CULTURE POSITIONS US ATTRACTIVELY TO IMAGINE, BUILD AND RUN BUSINESSES FOR OUR CUSTOMERS.**

**THROUGH OUR INNOVATIVE SOLUTIONS AND FOCUSED SUSTAINABILITY APPROACH, WE ARE CONTRIBUTING TO A WORLD THAT IS ECONOMICALLY PROSPEROUS AND SOCIALLY AND ENVIRONMENTALLY BETTER.**

**151,173**

Employees

**90+**

Countries

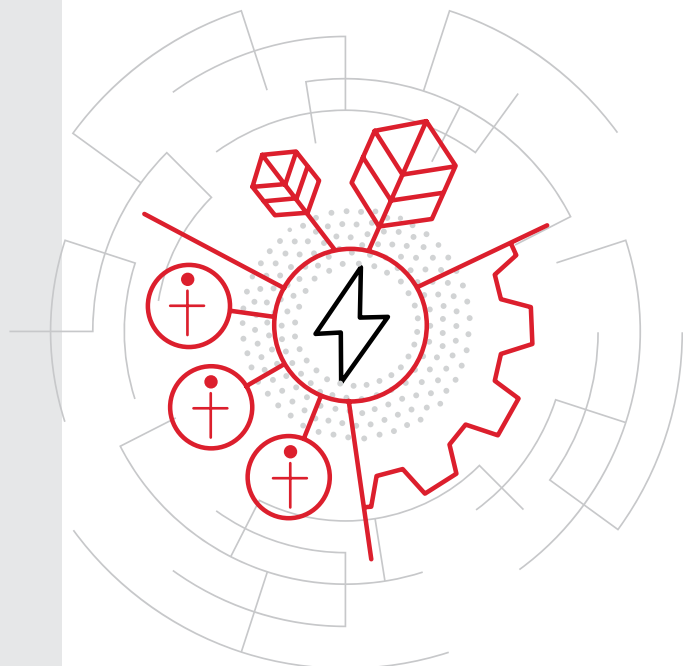
**1,224**

Clients



### Our Profile

Tech Mahindra is a part of the eminent Mahindra Group. An enabler of digital transformation, consulting and business re-engineering services and solutions, we work with some of the world's leading clients and help them achieve tangible results. We have capabilities to deliver seamless and integrated experiences across digital, physical, and convergent dimensions.

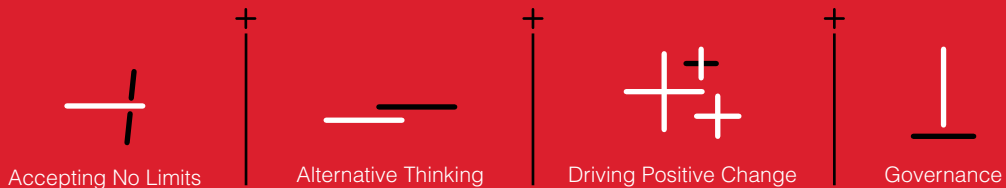


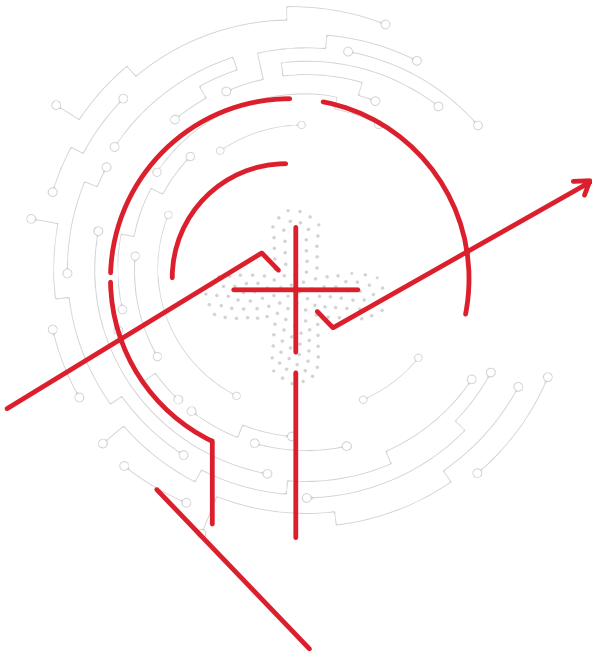
## CORE PURPOSE

We challenge conventional thinking and innovatively use our resources to drive positive changes in the lives of our stakeholders and communities across the world, to enable them to Rise.



### Rise Tenets





## VISION

**We will continue to Rise to be an agile, customer-centric and purpose-led company delivering best-in-class technology-led business solutions for our stakeholders.**

**150**

Companies



**260k**

Employees



**100**

Countries



**22**

Key Industries



## About Mahindra Group

We are part of the Mahindra Group, founded in 1945, one of the largest and most admired multinational federation of companies with 260,000 employees in over 100 countries. It enjoys a leadership position in farm equipment, utility vehicles, information technology and financial services in India and is the world's largest tractor company by volume. It has a strong presence in renewable energy, agriculture, logistics, hospitality and real estate.

The Mahindra Group has a clear focus on leading ESG globally, enabling rural prosperity and enhancing urban living, with a goal to drive positive change in the lives of communities and stakeholders to enable them to Rise.

In India, the Group is credited for uplifting the rural economy and enhancing urban living through unique solutions across agribusiness, aerospace, components, consulting services, defence, energy, industrial equipment, logistics, real estate, retail, steel, commercial vehicles and two-wheelers.

# The Year as it was

## Financial Performance

**USD 5,998 Mn**

Highest ever Revenue  
Growth in 7 years  
↑ 17.3% (FY21 USD 5,111 Mn)

**40 Bps**

Increase in EBIT margins  
(14.2% in FY21)

**USD 3.3 Bn**

↑ 50% (FY21 USD 2.2 Bn)

Signed largest deals in  
Healthcare, BPS and Network  
Services / 5G

**₹ 45 per share**

Dividend payout to Shareholders  
(same as FY21)

## Sustainability

**1.5°C Supply  
Chain Leaders**

Joined Exponential Roadmap Initiative (ERI)  
to reduce GHG emissions across  
value chain

**CDP A Rated**

Climate Change and Water Security

**Dow Jones  
Sustainability Index**

IT Leader, ranked Gold

**HRH The Prince of  
Wales Terra Carta Seal**

Inaugural Recipient



## Mergers and Acquisitions

**10 Acquisitions**

- + Cloud: DigitalOnUs, Brainscale
- + Experience Design Services:  
Eventus Solutions Group, Activus  
Connect
- + Digital Engineering: CTC,  
Lodestone, Allysis

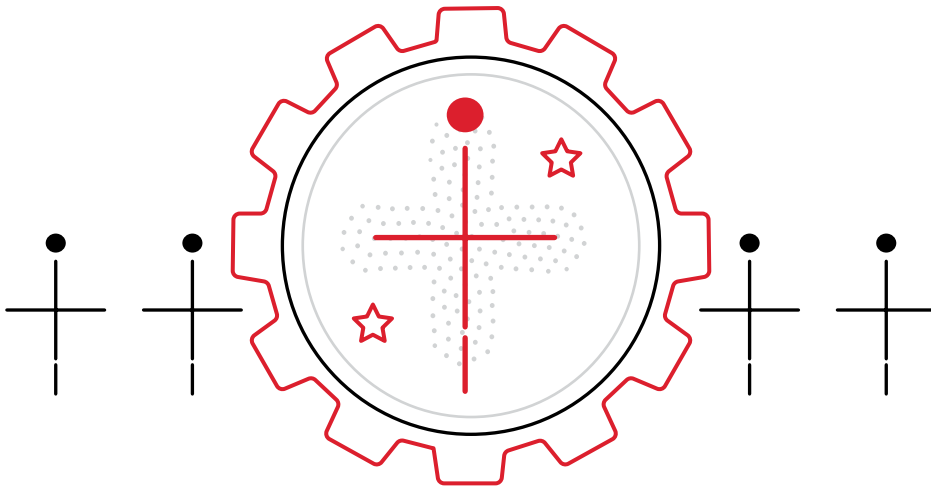
## Community

**25+ Lakh Lives**

Touched through COVID-19 relief  
programmes since its onset

**COVID-19 Breakthrough**

Our R&D hub Makers Lab partnered  
with researchers and used AI to find a  
therapeutic molecule against COVID-19.



## What Differentiates us in the Industry

**AT TECH MAHINDRA, OUR ABILITY TO DELIVER INNOVATIVE AND INDUSTRY-SPECIFIC SOLUTIONS AND OUR FOCUS ON CREATING HUMAN-CENTRED EXPERIENCES FOR OUR CUSTOMERS IS WHAT SETS US APART. WE CONTINUE TO INVEST IN THESE AREAS TO STRENGTHEN OUR MARKET POSITION.**

## Positioned as a One-stop Solution

- + Expertise in providing Network Services, Engineering Services, Platforms, Security, Experience Design Services, IT and Business Process Services across diverse industry
- + Ability to deliver solutions underpinned by human centred experiences
- + Strategic and synergistic acquisitions in areas of Cloud, Digital Engineering and customer experience aimed at business integration, unlocking scale and creating exponential value for customers

## Workforce of the Future

- + Fostering innovation and collaboration-driven workplace with extreme ownership to promote can-do attitude
- + Career acceleration policy to train volunteer employees on niche skills
- + Building talent pipeline with marquee programmes – LEAP (hiring external talent with proven track record), GLC (hiring high potential candidates for strategic roles), 1,000 leaders (developing funnel of high performers, coached to manage 1,000 critical programs) and AIMer (transition of expert technical to sales role)
- + Enhancing delivery capacity by constant upskilling and reskilling of employees
- + Begig.io platform where gig workers from across the globe have registered providing immediate access to niche talent at the right cost

## Strategic Geographic Presence

- + Entrenched position in the key markets of the US and Europe
- + Growing presence in emerging markets of Middle-East and Asia-Pacific
- + Presence in nearshore markets like Costa Rica, Mexico, Canada, and Eastern European Centres
- + Created presence in India's tier 2 cities to expand talent base

## Reinforced Delivery Excellence

- + Cohesive Account Management to serve top accounts effectively and efficiently
- + Client partners as individual CEOs of their respective account to deliver better value and delight to clients
- + Large deal delivery capability facilitated by strong execution capabilities, platforms and accelerators
- + AI-based #NewAgeDelivery (NAD) platform to enable new paradigm of technology solution delivery faster and more efficiently

## Deep Culture of Innovation

- + 6-pillared strategy - IRIS (Ideate, Refine, Implement, Shine) to facilitate a culture of innovation; Intrapreneurship to fund associates' ideas; innovation with start-up and universities; portfolio management for cross-pollinating solutions across all verticals; in-house IPR team
- + Makers Lab R&D hub to develop futuristic solutions
- + Holocracy approach to give innovators complete flexibility for faster implementation of ideas

## ESG Focus

- + Globally recognised actions, performance, and innovations to promote a sustainable world and solve climate issues
- + Set roadmap to building enduring business, environment rejuvenation, Net Zero well-before 2040, socio-economic development and enabling stakeholders to Rise
- + Wide-ranging CSR activities in areas of education, mental health awareness and welfare and skill development
- + Strong Governance framework with majority of Independent and Diverse Board members



**Solutions Offered**

**Wide-ranging Competencies to Deliver the NEXT**

**WE HAVE ESTABLISHED COMPETENCIES TO DELIVER WIDE RANGE OF DIGITAL SOLUTIONS AND PLATFORMS. OUR ABILITY TO COMBINE THESE AND DELIVER MEANINGFUL OUTCOMES FOR THE CUSTOMERS MAKES US A PREFERRED PARTNER. WE ARE SCALING OUR COMPETENCIES BY SKILLING PEOPLE TO LEAD DIGITAL CHANGE AND INVESTING IN NEXT GEN TECHNOLOGIES AND SOLUTIONS.**

**Network Services**

Serving the world's top carriers for the last 25 years, we offer end-to-end managed services to enable networks of the future for carriers and enterprises. Our wider plethora of service portfolios demonstrates transformative leadership into 5G enablement, automation and managing the Network lifecycles including its planning, design and management to yield business outcomes.

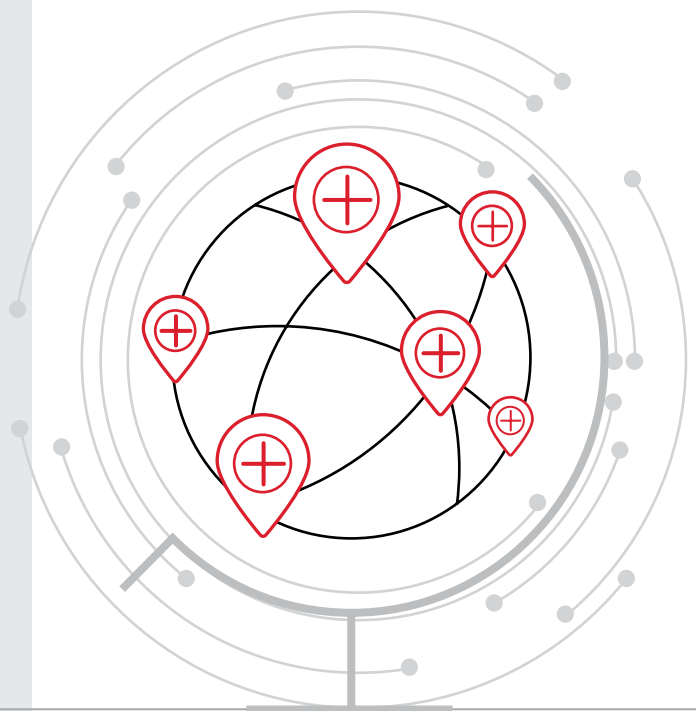
Network services portfolios are broadly classified into Access, Core, Enterprise, Intelligent Operation and Managed Services to achieve strategic business objectives at affordable costs. Key services provided under these categories include:

**Access:** Automated Radio Network planning, design and deployment; and providing disaggregated virtualised and openRAN

**Core:** Deploying disruptive Cloud Native 5G Core platforms and transitioning to hybrid/edge cloud networks

**Enterprise:** Powering enterprises with private 5G and enabling digitalisation and SD WAN modernisation

**Intelligent Operations & Managed Services:** Assisted network operation & maintenance, Intelligent & adaptive autonomous network operations



## Engineering Services

We deliver solutions enabling 'Digital Engineering Enterprise' across aerospace and defence, automotive, industrial, telecom, healthcare, energy & utilities, and ISVs. With 50+ exclusive global engineering centres supporting new program launches and 350+ active global customers, Tech Mahindra delivers exponential value to engineering enterprises by collaborating with them across three key tenets: Robust products, Ubiquitous platforms and Cyber factories. Our vision for engineering is founded on the new digital economy considering emerging market trends like digital engineering, intelligent workplaces, adoption of tele-everything, end-to-end connected and immersive approach covering smart manufacturing and the need for an overall resilient business framework.

We call this approach of Accelerating outcomes, inventing better products and transforming businesses into Digital as - Engineer Your NXT.NOW!

## Experience Design Services (XDS)

We power human connection through digital experiences, meeting customers at every touchpoint they have with a brand. By leveraging the latest technologies, and emerging platforms, our data-driven approach helps to empower businesses, streamline processes, increase revenue opportunities and enhance the overall customer experience.

We evaluate the entirety of a customer's interactions and consider each channel, both digital and physical, to create a seamless experience. By connecting creative, content and commerce together, we forge transformative, user-centric digital experiences that inspire.

Our offerings connect brand experience, track transactional behaviour and then distil the essential data into a book of record, laying the foundation for a scalable and unified strategy. We blend human-centred design, motivational psychology, behavioural science, and data science, helping our clients to realise their experience innovation goals. Our solutions unlock paths to meaningful, lasting impressions on customers.

## Platforms

We offer best-in-class platforms that enable innovation, efficiency and business transformation. Our platforms approach includes build, buy and co-create (with partners and clients) models. These are offered in SaaS, PaaS, BPaaS mode, offering choice of deployment / consumption model to our clients. Our focus has been to address both horizontal (cross industry) areas as well as niche digital areas specific to key industry verticals.

**Comviva:** From maximising customer lifetime value to enabling large-scale digital transformation, Comviva partners with Telcos globally with set of platforms to solve their existing problems fast and transform them for tomorrows.

**BlueMarble:** A future-ready, business outcome driven digital platform to simplify business complexity, drive agility and expedite monetisation for organisation.

**mPAC:** An integrated, secure, and comprehensive platform for enabling digitalisation, IoT and multi-cloud integration with single pane view across all cloud providers.

**iCOPS:** An Integrated solution for cloud operation, covering people, process and technology

**AI:** Some of AI Platforms include Sayint, Datamine, AftEAZE, GAiA, SeeR, MobilYtix, L'AILA

## Security

We provide comprehensive Cyber Security & Risk Management services covering all security domains. We have a robust track record of successfully delivering 900+ large security outsourcing projects across 50+ countries. We leverage our delivery capabilities of certified Security SMEs on best of the breed and niche Security Alliance partners solutions.

Our services include end-to-end advisory, consulting, implementation, integration, compliance and Managed Security Services Provider (MSSP) in the following key areas:

- + Holistic security transformation capabilities
- + Cloud, Network, Perimeter and OT/IoT Security
- + Governance, risk and compliance management services

## BPS

We deliver digitised, hyper-personalised, contextualised, and be-spoke customer experience (CX) and specialised BPO services across multiple verticals (CME, Retail & CPG, Healthcare, Manufacturing, BFSI among others). We ensure customer and outcome-focused, in-house and partner-driven solutions based on human-inspired intelligence (AI), smart analytics, intelligent automation and technologies that add value, improve and enhance customer business.

- + Delivering world-class Contact Centre and multiple horizontal- and vertical-specific services by amalgamated and unified digital capabilities. These are based on smart and relevant deployment of trending and composable technologies like AI/ML, NLP, smart automation, and analytics
- + Working on Global Unified Delivery Model through 57k human-digital workforce and several thousand bots in 40 plus languages across 15 countries and 50 plus delivery centres

## IT

We provide consulting services to enable customers develop and implement strategies for digital transformation and accelerate this journey with a suite of services covering entire IT stack. We have a track record of delivering innovative solutions to integrate technology with business for several Fortune 100 and 500 companies across 30+ years.

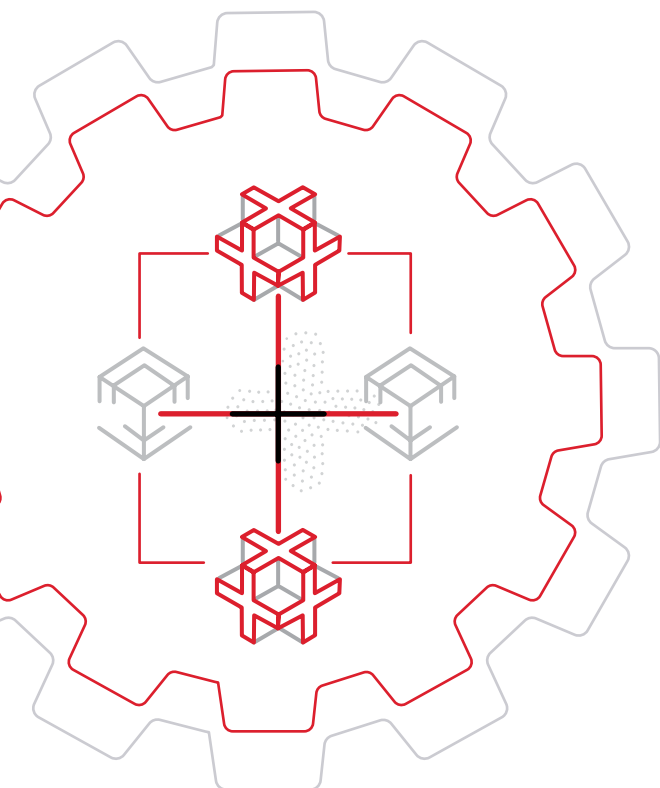
Some of our key focus areas include:

**CloudNXT.Now:** Cloud initiatives with engineering capabilities that enhance client EXPERIENCES, with an array of services, solutions and frameworks which ensures business agility at scale. With focused hybrid cloud advisory services combined with SRE and DevOps platforms, we improve reliability and productivity while controlling costs.

**Data Analytics:** As Data takes the centrestage globally, we are helping customers across the entire data journey from source to value. Some of the key services include developing new frameworks, architectures and solutions to help manage the ever increasing volume of data, modernising data platforms on Cloud, and enabling monetisation of data via development of Data Marketplaces among others.

**Artificial Intelligence:** We help identify the right AI strategy and roadmap for client organisation, through Discovery, AI Maturity Assessment, Enterprise AI Architecture and Platform Evaluations. Our AI enablement programs help clients leverage their data and AI assets across the organisation to scale up their AI journey, etc.

**Blockchain:** We work on a holistic framework called 'Block Ecosystem' that comprises various levers: Block Studio, Block Engage, Block Talks, Block Geeks, Block Accelerate, Block Access and Block Value. This enables creating industry-leading applications that are architected on innovation and human excellence to unlock significant value for all stakeholders.



# Delivering Competitive Dominance across Industries

WE HAVE INDUSTRY-SPECIFIC EXPERTISE LED BY OUR FOCUS ON CREATING TEAMS HAVING DEEP KNOWLEDGE OF END MARKETS AND ABILITY TO DELIVER DIVERSE INDUSTRY-SPECIFIC SOLUTIONS WHICH WE ARE CONSTANTLY HONING. WE ARE IMAGINING THE FUTURE OF OUR TARGETED END MARKETS AND DELIVERING SOLUTIONS THAT CAN HELP OUR CUSTOMERS ACHIEVE COMPETITIVE DOMINANCE.



## Communications, Media & Entertainment

Our communications vertical offers a wide range of solutions for Communications Service Providers (CSPs), Telecommunications Equipment Manufacturers (TEMs), Independent Software Vendor (ISV) and Media & Entertainment sector. The core of this vertical has three major components:

**Network & Operations:** We offer network operations solution including managing large scale network deployments and upgrades (such as 5G) as well as enterprise network-as-a-service, virtual and open RAN, cloud transformation and 5G lab services; we also offer IT and Cloud Transformation services.

**Engineering:** We offer Digital Engineering solutions which include developing and launching next-gen products and services and providing solutions around Digital Product Quality. We also offer Digital Platforms as an end-to-end solution to catalyse digital and business transformation.

**Experience:** We offer solutions around customer and employee experiences. We help manage customer experiences within and across Call Centre, Retail, Web and In-home Channels alongside solutions around interaction design services, social media integration and loyalty management. Our employee experience solutions are focused on improving efficiency across back-office functions and managing talent/employee productivity by digital automation.

**Manufacturing**

The manufacturing vertical uses its deep knowledge in product engineering combined with domain expertise and digital technologies to deliver differentiated services to its customers.

We offer solutions for automotive, aerospace and defence, discrete, process (chemical, cement, paper pulp) and metal & mining companies.

The Oil & Gas sub vertical team leverages its deep domain knowledge and expertise in upstream, midstream and downstream to address complex business challenges. The Energy and Utility sub vertical leverages its domain and technological expertise to provide value-added services to business across power, water & wastewater, renewable, electric vehicle, microgrid, and natural resources sectors across the globes.

**BFSI**

We are bringing together leading platforms, key technology capabilities and a large ecosystem of niche fin-techs to enable global banks, financial service providers, wealth management institutions and large insurance organisations lead the digital transformation wave and build a core foundation that is strong, adaptable and scalable. To support and leverage this transformation, we also offer consulting, enterprise architecture, enterprise business solutions, mobility, networks, security and BPS services.

**Some of our key focus areas:**

- + Wealth Management

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- + Core Banking

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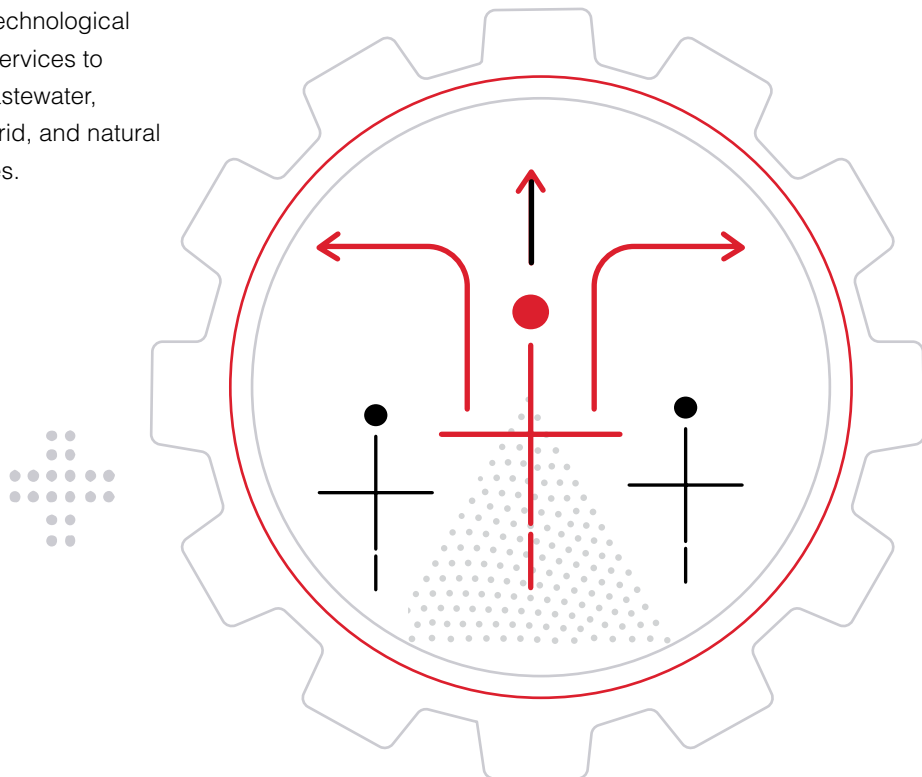
- + Payments

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- + Digital Lending

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- + Insurance



## Technology

With digital engineering at the core, our Technology & Hi-Tech vertical delivers solutions across four sub verticals: Hyperscalers, Platforms & ISVs, Semiconductor & Storage, and Infrastructure Technology. The services addressing these sub-verticals include:

- + Digital Engineering - Platform Engineering, VLSI and Storage Engineering
- + Enterprise IT Transformation - Service solutions for a NextGen enterprise
- + Cloud operations and data transformation on cloud Digital operation
- + Data services and content operations - NextGen service deck and digitised supply chain

## Healthcare, Life Science (HLS), Government and Others

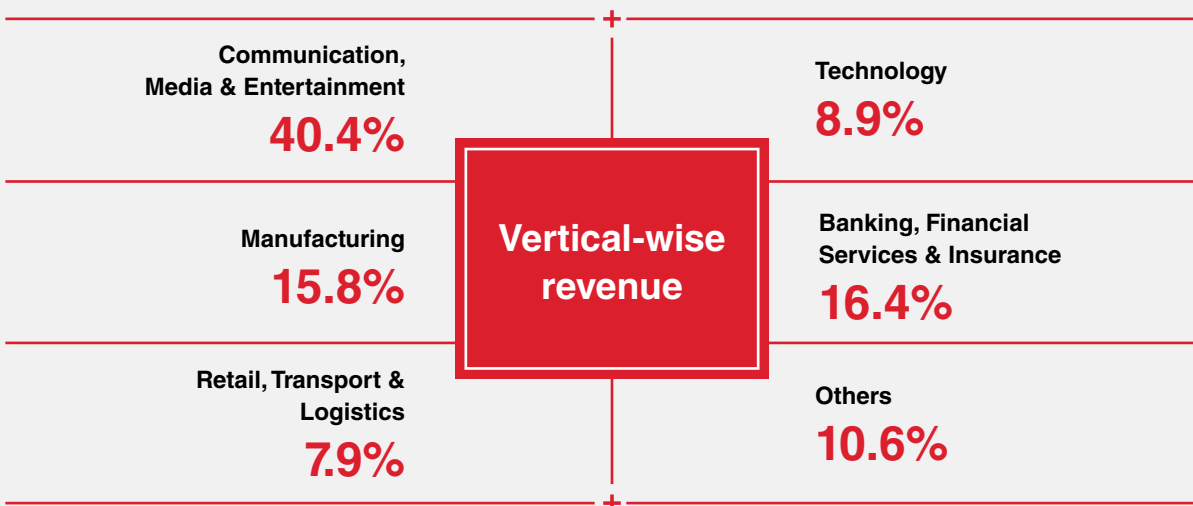
We bring our deep domain knowledge and technology expertise to partner with biopharmas, medtechs, payers and providers to build future-forward solutions. These solutions are designed to address the industry's most complex challenges, integrate digital transformation into our clients' business strategy and deliver extraordinary patient experiences and high-impact outcomes.

We offer IT services and solutions to the public sector (companies and government) to enable them implement ERP, digital and business transformation, and harness the power of technology to improve citizens' lives.

## Retail, Consumer Goods, Transport & Logistics

We are working with Retail and Consumer Packaged Goods (CPG) customers to help them deliver sustainable customer experiences by augmenting customer journeys across the value chain.

We are partnering with leading global players in the transport and logistics industry to help them succeed in a world that has changed significantly because of supply chain disruptions. Our investments in AI, blockchain and other new-age technologies provides these customers a competitive edge.



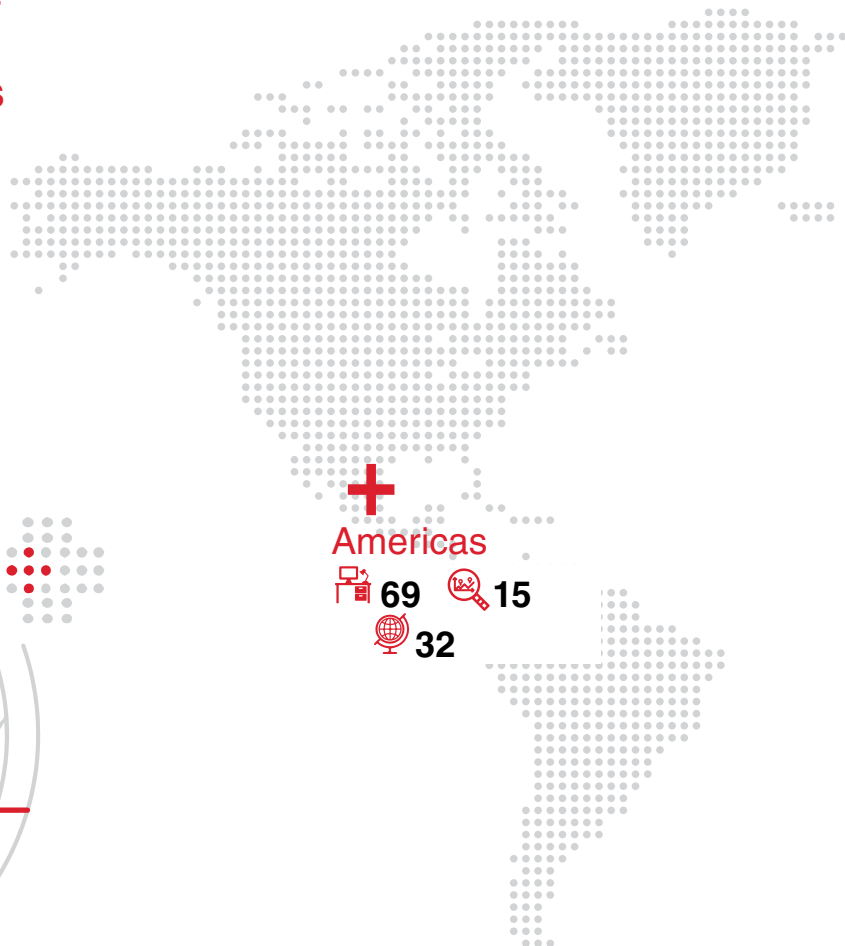
Global Presence

# A Globally Recognised Technology Player with Local Edge

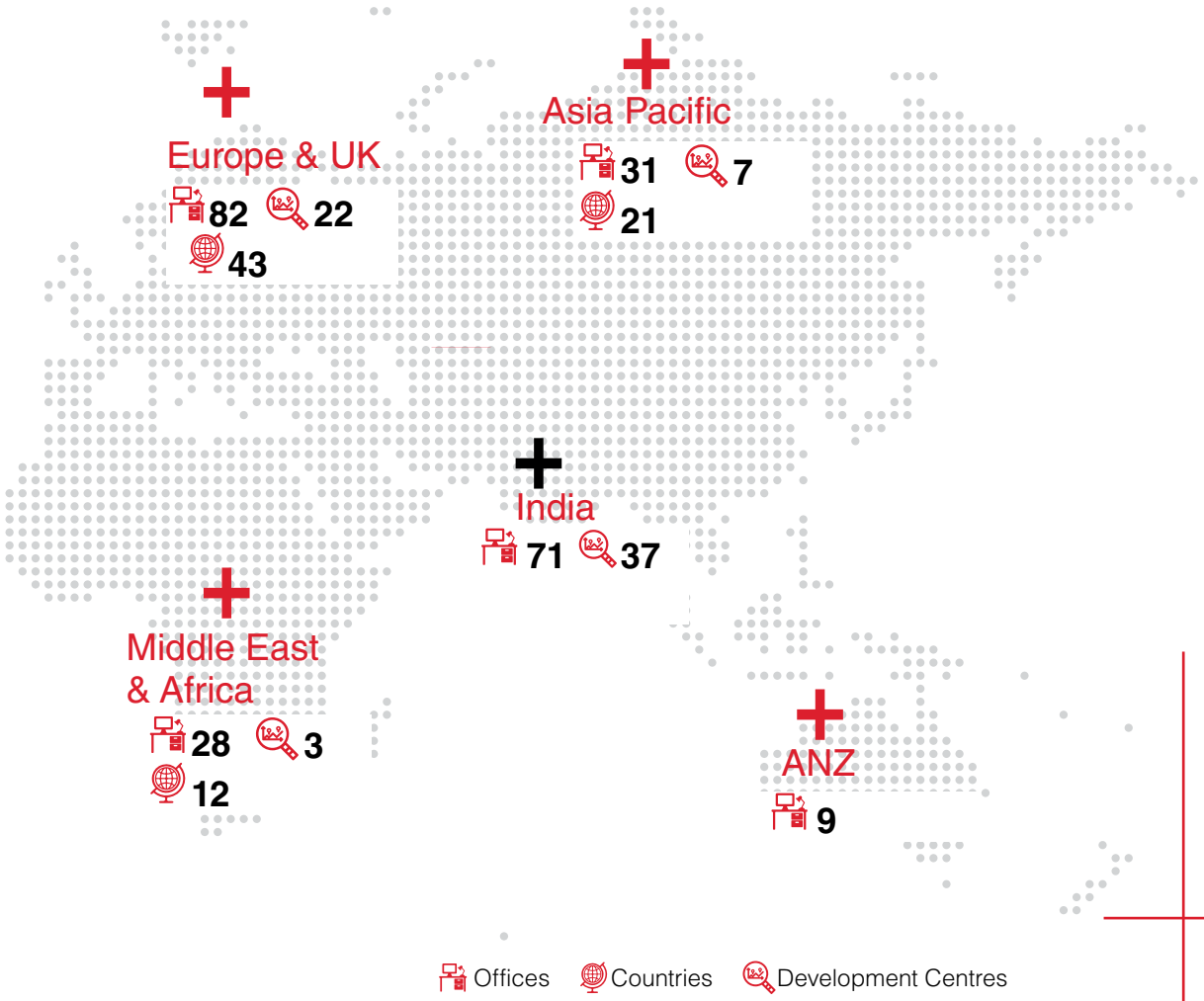
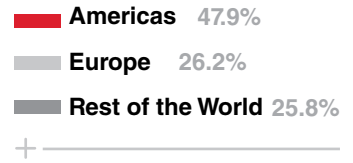
TOP GLOBAL COMPANIES TRUST OUR ABILITY IN ENABLING THEM TO ACHIEVE UNPARALLELED TANGIBLE RESULTS BY CO-CREATING INNOVATIVE SOLUTIONS. THIS REQUIRES US TO STAY CLOSE TO CUSTOMERS. WE HAVE MADE SIGNIFICANT INVESTMENTS IN ESTABLISHING DEEP COMPETENCIES IN 90+ COUNTRIES. OUR POSITION IS ENTRENCHED IN WORLD'S LEADING TECHNOLOGY MARKETS AND A GROWING PRESENCE IN NEARSHORE MARKETS POSITIONS US TO DELIVER EXCEPTIONAL SOLUTIONS TO CUSTOMERS.



**312 OFFICES ACROSS  
90+ COUNTRIES GLOBALLY**



### FY22 Revenue Distribution by Geography (%)



🏢 Offices   
 🌐 Countries   
 🔍 Development Centres

The above map is not to scale and is for illustrative purposes only.



## MD & CEO's Message



**If there's one word that aptly describes the past two years, it's uncertainty. A business climate of constant change drove many companies to shift to "survival mode" – setting aside larger strategies and investment plans to adapt to the changing landscape. Customers and the way they consumed products and services changed, and as a result, so did we.**



Companies were forced to introspect, adapt, and evolve, completely transforming the way they operated and interacted with customers. These changes have triggered the next-generation technologies of Cloud, AI, Data, IoT, and 5G. Companies have been increasingly investing in driving revolutionary IT transformation, resulting in a sustained demand momentum and persistent growth, all leading up to a phenomenal FY22.

## What Tech Mahindra did

We have made structural changes to transform our operating model and build a sustainable growth momentum. We have recorded the highest growth in 7 years while sustaining margins at 18%. We are building a culture of winning competitive bids against incumbents and displacing them in renewals. We have increased our win rates, won large-deals across business segments.

We are giving emphasis on digital technologies of the future such as cloud, network services, engineering services, and experience design services and building our advisory, consultancy, and design offerings on trending digital technologies such as Cloud, AI, D&A, and Cybersecurity. We are also doubling our effort on next-gen innovations such as Meta, netops.AI, SaaS, and Quantum. We are investing in building platform-led offerings for our clients across domains such as Factoreal, YABX, and HealthNxt. We launched TechMverse, our Metaverse platform recently. We have built a robust partner ecosystem and global delivery footprint delivering multiple industry-leading use cases to show with representative customers and partners to advocate for us. We are bound to achieve new heights in upcoming years leveraging the big bet we are placing on these innovations.

The sudden and rapid surge in demand led to supply pressure and unleashed a 'war of talent', especially in Tier I cities, with industry hiring and attrition reaching peak levels. Our strategy was clear: to build capacity and capability at scale. First, we focused on reversing the pyramid. We increased fresher hiring by 3X, primarily from tier II Indian cities. Second, we augmented our online marketplace community of quality tech freelancers which provides us access to talent on the go. Third, we built additional capacity in niche skills in nearshore locations like Romania, Costa Rica, Latvia, Belarus, and Mexico through our recent acquisitions. Overall, in FY22, we added 30k people taking the total employee strength to 151,173.

Strategic mergers and acquisitions complementing our capabilities continued to help us expand our skill portfolio. In the last 12 months alone, we invested ~USD 900 Mn in acquiring assets which will enable

us to provide breakthrough values in our clients' transformation journey. The major shift in our M&A strategy was to have a programmatic approach to acquire niche skilled assets as we were able to bring a greater joint value proposition to clients, resulting in a sustained large and complex deals momentum.

## Delivering Solid Performances

Our stellar FY22 performance reflects the broader market, and we have almost reached the USD 6 Bn annual run rate, closing with 17.3% increase in revenue to ₹ 446,460 Mn (USD 5,998 Mn). We fulfilled our commitment towards improving large deal wins, having raised our quarterly average TCV to USD 800+ Mn, with a total TCV of USD 3.3 Bn, in FY22.

We fired on all cylinders, delivering healthy growth across every vertical as well as key markets. Enterprise vertical grew by 17.4% while the CME vertical grew by 17.2% year-on-year, led by strong order booking in 5G network services. EBITDA margins were stable, declining 10 basis points to 18.0% in FY22. Driven by the strong performance, the Board has recommended Dividend of ₹ 45 per share for FY22.

## Where we are headed

- + **We have recorded the highest growth in 7 years while sustaining margins at 18%**
- + **We have almost reached the USD 6 Bn annual run rate, closing with 17.3% increase in revenue to ₹ 446,460 Mn (USD 5,998 Mn)**
- + **We are putting our weight behind digital technologies of the future and building our advisory, consultancy, and design offerings on trending digital technologies**
- + **We are also doubling our effort on next-gen innovations**

We believe that if we can imagine the future, build the right solutions, and run them for our clients, then we're on track to Rise. Our NXT.NOW strategy is built around delivering high socio-economic value by generating the right human-centred experiences enhanced by technology. Its success is evident in multiple large order wins and the Company being positioned to participate in increased demand.

There is no denying that this demand will continue to stay strong, with the majority coming from transformation, connectivity and network services, supply chain of the future, experiences, and engineering. We also focused on Cohesive Account Management, whereby we've merged our experiences across all verticals to deliver NXT.NOW, better account management, improved solutions, and stellar service offerings. CME will continue to be the largest vertical with the most opportunities, as we focus on building it around value creation and impact. BFSI and Manufacturing verticals are close to the billion-dollar annual run rate. We're also increasing efforts in the health and life sciences, and hi-tech verticals to propel them in near future.

- + It is said that while good companies are built by profit, great ones are built by people and purpose**
- + People are one of Tech Mahindra's key strengths, and we strive to keep them engaged, empowered and informed**
- + We are the only Indian IT company to score an 'A' in both CDP Climate Change and CDP Water Security and to be listed on the CLEAN CARBON 200 companies for 2021**

We have a rare combination of connectivity and experience as our endowment which, along with our big bets on Cloud and Engineering, form our winning strategy for FY23. Modernising networks has been our legacy for over 25 years. Through Experience Design Services, we have built award-winning and industry-leading capabilities in human-centric design. We will scale our hyperscalers partnerships on building dedicated practices and creating verticalised and edge use cases. We have a full spectrum of engineering offerings to deliver values to our customers utilising our cutting-edge and award-winning solutions, tools, and frameworks.

### **The 3Ps (Purpose, People and Performance) and beyond**

It is said that while good companies are built by profit, great ones are built by people and purpose. As a Company, we have increasingly realised that operating with the right purpose is key to gaining the trust of stakeholders and ensuring long-term sustainability. At Tech Mahindra, we challenge conventional thinking, and innovatively use technologies to drive productivity and growth, improve quality of living and facilitate a positive sustainable change – it is this purpose that binds us together. While we strive to become more purpose-driven and people-centric, we ensure that we're performance-led in all that we do, and our pace in this journey has only accelerated in FY22.

Our environmental efforts continue to win global appreciation and recognition. We are the only Indian IT company to score an 'A' in both CDP Climate Change and CDP Water Security and to be listed on the CLEAN CARBON 200 companies for 2021. In our efforts to combat climate change, we aim to become Carbon Neutral by 2030. Additionally, we have joined the 1.5° Supply Chain Leaders by the Exponential Roadmap Initiative (ERI) to reduce GHG emissions across the value chain. When it comes to the fight against COVID-19, our CSR wing, Tech Mahindra Foundation, has been on the frontlines, showcasing extraordinary effort and impacting more than 25 lakh lives since March 2020.

People are one of Tech Mahindra's key strengths, and we strive to keep them engaged, empowered and informed by building a workplace that rests on both empathy and productivity. Our priorities lay in ensuring our workforce is future-ready through skilling, upskilling, and reskilling. We've also achieved the milestone of 34% female representation and stand proudly amongst the most diverse and inclusive employers. Our robust AI-driven automated performance management system also helps us improve day-to-day operations and course-correct when needed, ensuring that results are never compromised.

### Message to Stakeholders

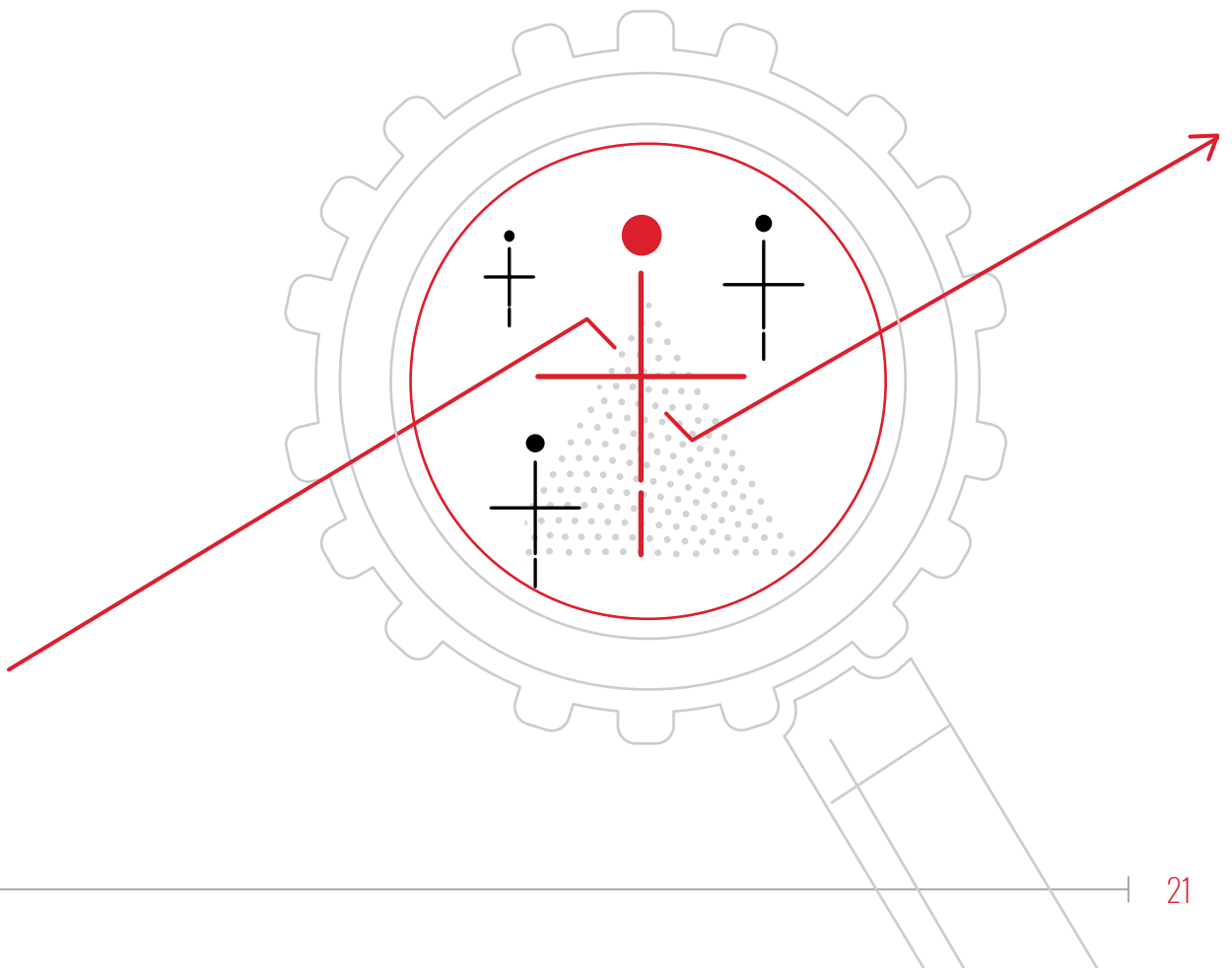
On behalf of the Board, I thank all our stakeholders for their unwavering support and belief in us. We also thank our customers for entrusting us to build solutions for their mission-critical systems and are grateful for our people who have rallied together to

help the Company deliver exceptional performances across the last few quarters. We reiterate our commitment towards disciplined capital allocation and returning cash as we continue to generate higher free cash flows.

I would like to reiterate that our focus is on delivering sustainable growth and creating value for all our partners. We have a unique endowment, ambitious big bets, and the right strategic pillars to make it happen. All of this is driven by our purpose that is deeply rooted in ESG which is at the core of everything that we do. We've built a great company with purpose and with your support, we will continue to soar to greater heights and build a sustainable future for all.

### C P Gurnani

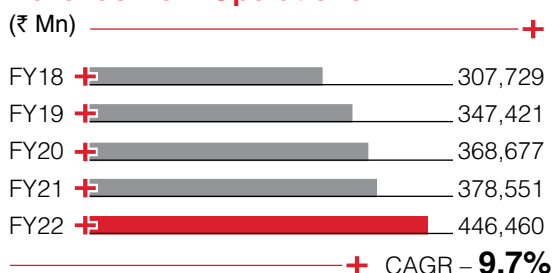
Managing Director & Chief Executive Officer



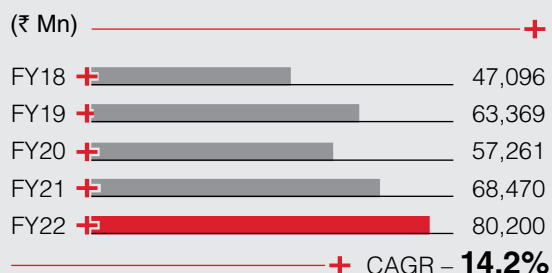
Year in Review

# Strong Execution, Broad-based Performance

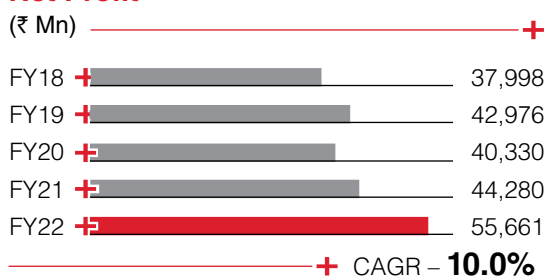
## Revenue from Operations



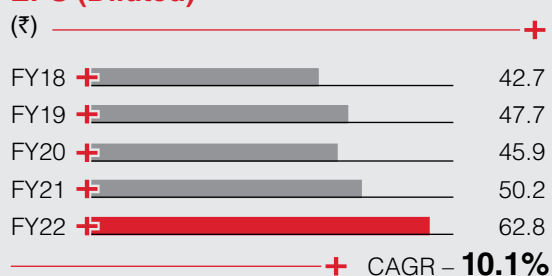
## EBITDA



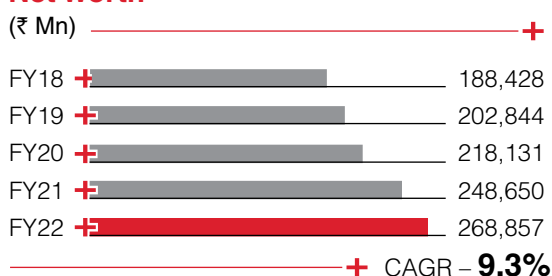
## Net Profit



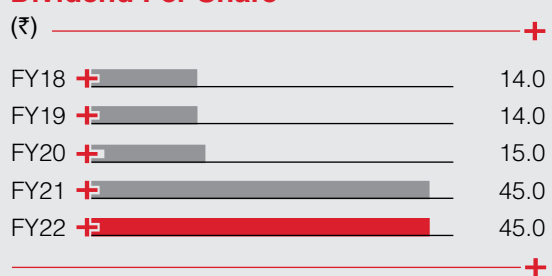
## EPS (Diluted)



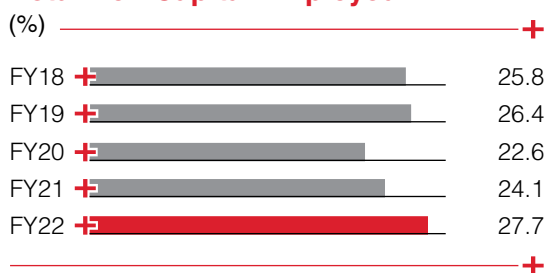
## Net Worth



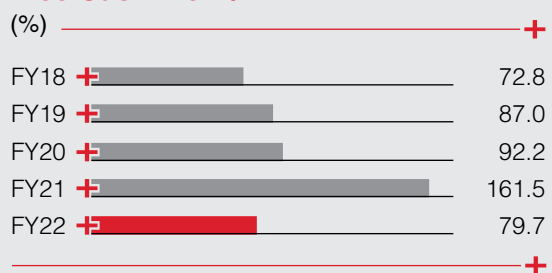
## Dividend Per Share



## Return on Capital Employed



## Free Cash Flow / PAT



**Cash and Cash Equivalent**(₹ Mn)  +

FY18	77,743
FY19	96,920
FY20	88,048
FY21	130,199
FY22	86,455

**Total Headcount**(No.)  +

FY18	112,807
FY19	121,082
FY20	125,236
FY21	121,054
FY22	151,173

**CSR & Donation**(₹ Mn)  +

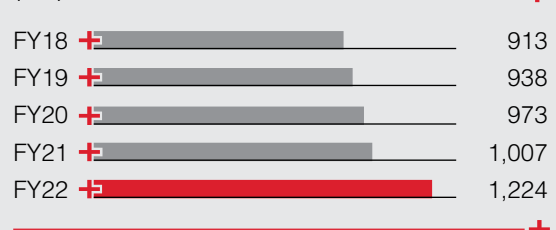
FY18	783
FY19	931
FY20	1,370
FY21	1,137
FY22	1,209

**Renewable Energy**(%)  +

FY18	2.9
FY19	15.2
FY20	17.6
FY21	21.2
FY22	22.9

**Women Workforce**(%)  +

FY18	30.2
FY19	30.7
FY20	31.1
FY21	31.8
FY22	34.1

**Active Clients**(No.)  +

FY18	913
FY19	938
FY20	973
FY21	1,007
FY22	1,224

**GHG Emission (Scope 1 and 2)**(MTCO<sub>2</sub>e)  +

FY18	125,487
FY19	110,979
FY20	107,540
FY21	74,348.90
FY22	66,847.68

**Water Recycled**(KL)  +

FY18	504,071
FY19	606,461
FY20	590,951
FY21	203,202
FY22	235,401

## Financial Performance

Particulars	FY20		FY21		FY22	
	₹ Mn	USD Mn	₹ Mn	USD Mn	₹ Mn	USD Mn
<b>FINANCIAL RESULTS</b>						
Revenue from Operations	368,677	5,181.9	378,551	5,111.1	446,460	5,997.8
Cost of Services	259,743	3,653.4	258,555	3,489.8	309,720	4,161.5
Contribution	108,934	1,528.5	119,996	1,621.2	136,739	1,836.3
Contribution %	29.5%	29.5%	31.7%	31.7%	30.6%	30.6%
Selling, General & Administration Expenses	51,673	725.1	51,526	695.6	56,340	760.0
EBIDTA	57,261	803.4	68,470	925.6	80,200	1,076.3
EBIDTA %	15.5%	15.5%	18.1%	18.1%	18.0%	18.0%
Depreciation & Amortisation	14,458	203.3	14,577	196.7	15,204	204.0
EBIT	42,803	600.1	53,893	729.0	64,996	872.3
EBIT %	11.6%	11.6%	14.2%	14.2%	14.6%	14.6%
Other Income	11,924	167.4	7,871	105.0	11,123	149.1
Profit Before Tax (PBT)	50,578	711.1	59,529	803.8	74,521	999.9
Profit After Tax (PAT) <sup>^</sup>	40,330	566.8	44,280	597.8	55,661	746.4
PAT %	10.9%	10.9%	11.7%	11.7%	12.5%	12.5%

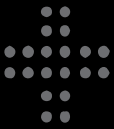
Particulars	FY20		FY21		FY22	
	₹ Mn	USD Mn	₹ Mn	USD Mn	₹ Mn	USD Mn
<b>FINANCIAL POSITION</b>						
Net Worth	218,131	2,884.6	248,650	3,401.0	268,857	3,547.3
Non-Current Liabilities	29,910	395.5	29,256	400.2	37,544	495.4
Current Liabilities	109,257	1,444.8	102,775	1,405.8	125,048	1,649.9
Total Liabilities & Equity*	373,535	4,939.6	396,780	5,427.2	448,707	5,920.2
Non-Current Assets	141,812	1,875.3	144,227	1,972.7	204,150	2,693.5
Current Assets	231,723	3,064.3	252,553	3,454.4	244,557	3,226.7
Total Assets	373,535	4,939.6	396,780	5,427.2	448,707	5,920.2

**Notes:**
<sup>^</sup>Owners Share of Profit

\*Includes Non-Controlling Interest

Previous period figures have been regrouped/rearranged wherever necessary.

# Corporate Awards & Recognitions

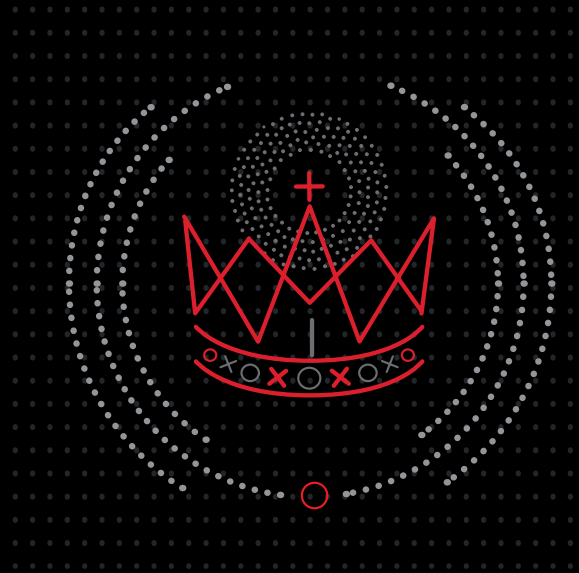


## Human Resources

- + Tech Mahindra - Winner of Golden Peacock HR Excellence Award
- + TechM wins 3 Golds at the prestigious 2021 Stevie Awards for Great Employers Tech Mahindra Included in Bloomberg Gender-Equality Index for Third Consecutive Year
- + Tech Mahindra has been listed among 2021 Best Workplaces in Asia by Great Place to Work®
- + Tech Mahindra has been included in Bloomberg Gender-Equality Index (GEI) for the third consecutive year. Tech Mahindra is amongst the 7 Indian companies to be included in 2022 Bloomberg's Gender Equality Index (GEI)

## Technology

- + Tech Mahindra has been named a Leader once more, making it our third time in a row, in 2021 Gartner® Magic Quadrant™ for IT Services for Communications Service Providers, Worldwide
- + Tech Mahindra named a Leader in Everest Group PEAK Matrix Assessment for Software Product Engineering Services 2021
- + Tech Mahindra Strengthens its Leadership in the Engineering R&D Services Space for the 6th Consecutive Year in Zinnov Zones 2021 Rankings
- + Tech Mahindra won the ISG Star of Excellence Award in Software/Cloud Specific Services, demonstrating the highest standards of client service excellence and customer centricity
- + Tech Mahindra emerged as the only Indian company in the Forbes' Blockchain 50



## Corporate Social Responsibility

- + SHRM HR Excellence Awards 2021 for Excellence in Community Impact (COVID Response: COVID Relief & Rehabilitation Program) Mahatma Award 2021 for COVID-19 Humanitarian Efforts
- + Received Rotary CSR Awards 2021 in the Community Development Category for Exemplary Work with Sustainable Impact
- + Tech Mahindra has won the CSR Universe 'COVID Response' CSR Impact Awards 2021 in Skill Development and Livelihood Category

## Sustainability

- + Tech Mahindra received HRH The Prince of Wales' Terra Carta Seal in recognition of the Company's commitment to creating a sustainable future
- + Tech Mahindra ranked 14 on Responsible Business Ranking by The Economic Times
- + Tech Mahindra tops the list of Global IT Services in ESG ranking and has been awarded the highest-ranking Gold this year in the Dow Jones Sustainability Index
- + Tech Mahindra ranked among 2 of India's Most Sustainable Companies in 2021 by BW Businessworld & Sustain Labs Paris



# External Environment

## Economic Overview

### Global Economy Recovers

The global economy rebounded in 2021 growing by 6.1% as against a decline of 3.1% during the pandemic hit year of 2020. The growth was largely on account of resumption in economic activity and improved supply chain position with countries adapting to the pandemic. The US economy is estimated to have grown 5.2%, Euro area by 5.7% and India by 8.9%.

### Weaker than Expected Outlook

The 2022 outlook for global economy which was already moderate due to spread of Omicron variant caseloads, surging energy prices and supply chain disruptions is further expected to take a hit due to the ongoing Ukraine-Russia war. Both countries being major commodity producers, especially in food and oil and natural gas (Russia accounting for ~10% of world's energy needs), the war is likely to push up inflation with surge in their prices. The impact is already evident with crude oil prices spiralling up. Europe which depends on Russia for a large part of its energy needs is likely to be most impacted.

The war has also disrupted trade and supply chain in neighbouring economies as well as negatively impacted market sentiments with all major global benchmark indices falling. Various industries are likely to face challenges. Automobile sector may be hit as consumer delay purchases due to high oil prices. Semiconductor sector may face raw material availability issues with Russia being largest supplier of rare metals use in it. Agriculture and edible oils sector could be impacted as both countries are amongst major suppliers of food items. Banking Sectors with exposure to Russia may also have some challenges with the Sanctions put by many countries.

Fitch Ratings projects the world output to grow 3.5% in 2022, 0.7 pp lower than earlier estimates largely on account of 1.5 pp cut in Eurozone's projected growth to 3%. The US economy is projected to grow 3.5%. IMF projections are in similar line. It forecasts the global output growth at 3.6% in 2021, with the US growing by 3.7%, Euro area by 2.8% and the emerging markets and developing economies by 3.8%.

### Indian Economy Remains Resilient

Indian economy is expected to continue its positive growth trajectory with opening up of mobility and all economic activity, improving consumer confidence and high-capacity industrial utilisation. Containing the impact of third wave of pandemic, backed by vaccination coverage, bodes well for the economic recovery. The commitment of increased capital expenditure by Central Government is further expected to improve sentiments and accelerate job creation.

The country is likely to face inflationary pressure due to turbulence in crude oil, a major foreign exchange expenditure item for India, and commodity prices. As per KPMG estimates, Indian economy is expected to grow 7.7% in FY 2022-23. The IMF has a more positive outlook on expectation that the country is being better placed to face Ukrainian crisis. It projects the Indian economic growth at 8.2% for FY 2022-23.

*(Source: IMF WEO April 2022, KPMG, Fitch Ratings)*

## IT Industry Overview

The Indian IT industry registered a solid growth in FY 2021-22 after a long gap. The growth has been primarily driven by accelerated digital adoption and need for digital transformation post the pandemic with customer-centricity for retention taking centrestage. The industry witnessed highest ever hiring with over 4.5 lakh freshers, of which 2 lakh were women. With continued momentum and increasing demand for higher technologies, the industry revenues are expected to touch USD 350 Bn by 2026.

*(Source: Nasscom)*

Globally, the IT spend is expected to exceed USD 4 Tn in 2022 and grow at a CAGR of 8.7% during 2021-25. Majority of the spend in 2022 is expected to be for enterprise software followed by IT services. There is also a trend of higher investments in emerging technology areas like communication, AI, cloud, IoT, data and analytics and hyperautomation among others.

## Key Trend in the IT Industry

### Implications of War

The ongoing Ukraine-Russia war could possibly have some implications on the Indian IT companies having exposure to European client base. Sectors which have got exposure in Russia and Ukraine, may revisit their long-term transformation roadmaps in the aftermath of the impacts they have seen on business. It is too early to see how this translates into pipeline and deal closures for the IT industry.

## Inflation in Developed Markets

The US and the UK economies are facing stiff inflationary environment over past few months. The annual inflation rate in the US accelerated to 8.5% in March of 2022, the highest since December of 1981 and double the levels seen in April 2021. Elevated inflation has been driven by supply chain disruptions and pent-up consumer demand for goods as the COVID-19 pandemic wanes. Similarly, UK's annual inflation has reached 7% in March 2022, highest since March 1992. The high inflation has caused Central Banks to react in an attempt to control the inflation by looking at interest rates, liquidity measures among other initiatives.

## Technology Penetration and Trends

The pandemic has changed the way products are consumed and the behaviour of customers. This has pushed organisations to accelerate their digital transformation plans to grow and retain existing customers. As per IDC research, in 2022 more than half of the global economy will be based on or influenced by digital. It further estimates direct digital transformation investments to grow at a CAGR of 16.5% during 2022-24.

Some of key strategic technology trends for 2022 include:

- + **Data Fabric:** Integrating data sources across platforms and business users and making it available. It also uses analytics to learn and recommend where data should be used
- + **Cybersecurity Mesh:** Integrating widely distributed and disparate security services to improve overall security
- + **Cloud-Native Platforms:** Technologies that allow building new application architectures that are resilient, elastic and agile
- + **Decision Intelligence:** Improves organisational decision-making by using intelligence and analytics
- + **Hyperautomation:** Rapidly identifying, vetting and automating as many business and IT processes as possible
- + **AI Engineering:** Automating updates to data, models and applications to streamline AI delivery
- + **Distributed Enterprises:** Digital-first, remote-first business model to improve employee experiences, digitalise consumer and partner touchpoints, and build out product experiences

- + **Total Experience:** Integrates multiple experiences including employee, customer and user across multiple touchpoints to accelerate growth
- + **Metaverse:** Revolutionising the way people interact on the internet through creation of virtual world. Though in a nascent stage, the excitement around it rapidly growing. Technologies like AR/VR and computer-generated simulations will play a significant role in advancing it

## Technology for Sustainable Development

The pandemic has highlighted the need for urgent climate actions. Many companies have identified it as a core action area and some have even committed to Net Zero carbon emissions across their business. The role of technology to drive innovation across value chain and enable sustainable development has become crucial.

## Our Response

At Tech Mahindra, we are at the cutting edge to enable our clients to succeed in a changing world and achieve sustainable development. Our NXT.NOW strategy: aimed at delivering dominance to companies by helping them to adapt to market trends through next-generation technologies and underpinned by a purpose to drive positive social change through innovative use of resource is central to it.

Inspired by this, we are continually investing in multiple technologies and acquisitions to augment capabilities. Technology expertise and innovation capabilities are being channelled towards developing solutions that deliver high socio-economic value by generating the right human-centred experiences. People focus is being guided around driving agility, flexibility and inclusivity to create a high-performance culture. Heightened focus is being put on social, environmental, and human wellbeing factors.

A combination of these aspects is positioning us as an important strategic partner to clients and a key propeller of sustainable world. Our business model is much stronger and resilient. We are better off to capitalise on strong demand momentum and geared to deliver long-term value.

# Business Model

## RESOURCES WE USE

Inputs



### Financial Capital

Effectively deploying ₹ 268.9 Bn of net worth and ₹ 15.8 Bn of debt to ensure long-term sustainable growth. Cash flow generation of ₹ 44.2 Bn to further support strategic Investments as well as shareholders' value.




### Intellectual Capital

Developing innovative, next-generation solutions across our 10 Makers Labs fuelled by ₹ 282 Mn R&D expense to build competitive advantage and enhance future prospects.



### Human Capital

Attracting best talent across the world and inspiring a workforce of 151,173 to grow with us by providing lifelong development opportunities. Nurturing the associates by making them skilled on newer set of technologies.



### Social & Relationship Capital

Building an ecosystem of new-age partners and startups. Making a difference towards the society with CSR spends and donation of ₹ 1,209 Mn and employee volunteer hours of 31,884 in FY22.



### Service Capital

Leveraging our 312 offices and 85 development centres to effectively serve our clients.



### Natural Capital

- Ensuring sustainable use of resources –
- Total Energy Consumption (GJ) – 361,013
  - Renewable Energy Consumption (GJ) – 82,780.82
  - Water Withdrawal (KL) – 478,034.62
  - Green Marshals Volunteer Hours – 5,300

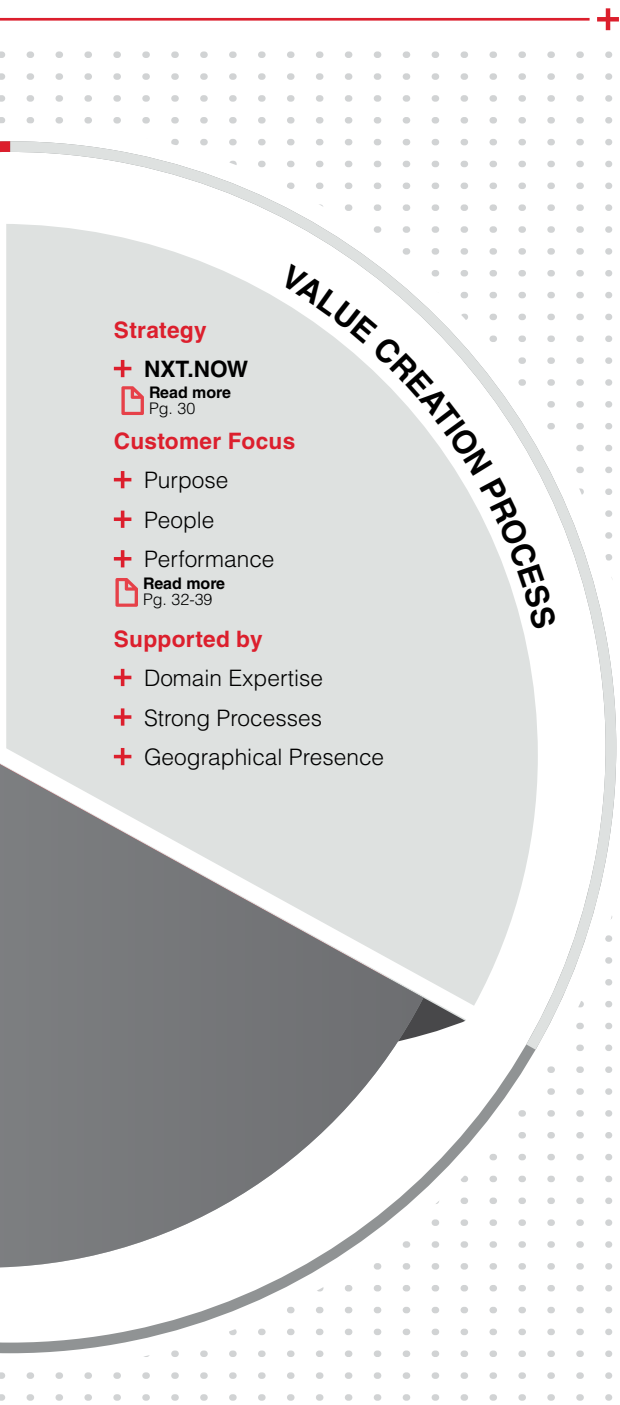


## VALUE PROPOSITION



## SDG'S IMPACTED





## VALUE CREATED FOR SHAREHOLDERS

### Stakeholders

#### Financial Capital

- Revenue of ~USD 6 Bn & PAT of USD 746 Mn
- EBITDA Margins of 18.0%
- Cash Conversion – 79.7% as FCF % of PAT
- Dividend of ₹ 45 per share

#### Intellectual Capital

- **Innovation framework** and driving innovation revenues
- Rapid deployment of **innovation muscle** to respond to societal needs
- Developing IPs for deployment across clients and verticals

#### Human Capital

- Strong Learning and Development for associates, resulting in **domain expertise, robust execution** leading to **job satisfaction**
- A globally inclusive and intentionally diverse headcount with a women **workforce of 34.1%**
- Strong **career growth opportunities** for the associates
- **Employee loyalty** leads to talent retention and attrition reduction

#### Social and Relationship Capital

- Active Customer Count of **1,224**
- Deal Wins worth **USD 3.3 Bn**
- Digital contributes to **>50%** of the total revenues
- **Green Solutions' portfolio** addressing customer ESG impact
- Benefited **25 lakh** lives through **572** COVID relief programmes across **17 states** during the pandemic
- **5.45 lakh cooked meals** were distributed, **62,010 PPE kits** were distributed to frontline workers, along with **4,286 families** supported through Direct Cash Transfer
- **55 Hospitals** supported with medical equipment and other consumables

#### Service Capital

- Technology solutions to address needs and improve process efficiency
- Robust digital and cloud infrastructure
- Leveraging automation, AI and ML Do

#### Natural Capital

- **Low carbon growth** strategy leading to brand value
- GHG Emissions - Scope 1+2 : **66,847.68 MTCO2e** (reduced by 10.09% against previous year FY21)
- Energy Saved – **31.23 Mn units**
- Energy Consumption was reduced by **7.6% compared to FY21**
- Water Recycled and Reused – **235.4 Mn litres**
- Fresh Water Withdrawal reduced by **2.49% compared to FY21**



# Strategy



**THE POST PANDEMIC WORLD IS DIFFERENT - LEANER, SHARPER, MORE AGILE. THE CHANGES BROUGHT UPON COMPANIES, PEOPLE AND GOVERNMENTS ARE NOT EVOLUTIONARY BUT REVOLUTIONARY. THE GROWTH OF HUMANKIND HAS BEEN PUNCTUATED BY A BIG LEAP FORWARD WITH COLLABORATIVE DISRUPTION TOWARDS BUSINESS TRANSFORMATION.**



Our mission is to create a Sustainable Organisation that is Performance-led, People-centric and Purpose-driven. Our primary focus is to leverage technology, and the strength of connected minds, to bring about a business transformation with humanised experiences that create a sustainable world.

We have seen tech-centric business models emerging and companies engaging in new commercial models. The emergence of new technologies has changed the way of how experiences are delivered. We are therefore now on a mission to leapfrog into the NEXT, but with an urgency to do it NOW.

# NXT.NOW

The 3-4-3 approach continues to be the core of our strategy. It means addressing 3 mega trends across markets, 4 big bets that we would take to address those mega trends, in a way that would fit into the

3 key priorities of our client. TechM has been working for a decade in shaping the experiences of our clients. We believe NXT.NOW allows us to Imagine businesses of the Future, Build it for them and eventually Run it.

## OUR STRATEGY: NXT.NOW

### 3 X TRENDS

- + EXPONENTIALITY OF CONTENT
- + EXPLOSION OF INTELLIGENT DEVICES
- + POWER OF NEW TECHNOLOGIES

### 4 X BIG BETS

- + HUMAN-CENTRED EXPERIENCE.NXT
- + BUSINESS.NXT
- + PLATFORMS.NXT
- + CLOUD.NXT

### 3 X OBJECTIVES

- + RUN BETTER
- + CHANGE FASTER
- + GROW GREATER

NXT.NOW is about adapting to the market transformation to deliver to the next-generation technologies to create a Human-Centred experience through 'As a Service' model, while the Network of the Future will propel this transformation to all the end-markets and geographies that we serve in.

We are enabling this by crafting solutions that are unique and market-making to deliver the Future. But in a pragmatic way that can be delivered now. And that is essentially our promise. Across varied industry and with over 151,100+ associates in 90+ countries,

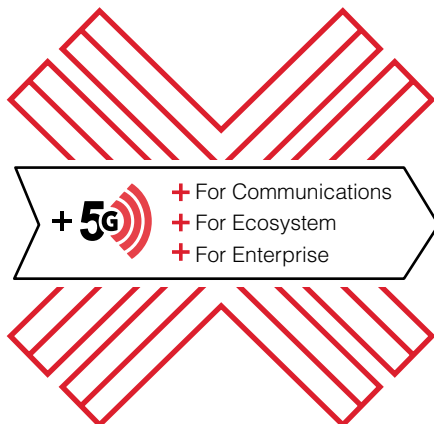
we are studying markets, best practices and trends and crafting solutions that will offer our clients competitive dominance. Not just parity or advantage.

We are doubling down on Execution of NXT.NOW through initiatives looking at every aspect of the organisation to be future-ready. We set up task forces to look at driving sustainable growth through account expansion and proactive large deals. We are continuously innovating to develop solutions for the customer of tomorrow, while ensuring that we have transformed our operations, talent and processes.

### XAAS OFFERINGS

#### CX, HUMAN-CENTRED EXPERIENCES AND DIGITAL DESIGN

- + CORE TECHNOLOGIES
- + CLOUD
- + ARTIFICIAL INTELLIGENCE
- + IoT
- + CYBER SECURITY
- + BLOCKCHAIN



- + Communications
- + Banking, Financial Services & Insurance
- + Manufacturing
- + Hi-Tech
- + Healthcare & Life Sciences
- + Retail, CPG & Others



# Striding Ahead with a Profound Purpose

**Globally, there is a huge imbalance in the accessibility of technologies. There is an urgent need for a giant leap forward to create a progressive and inclusive world where next-generation technologies are accessible to all. And which has the power to harmonise the entire ecosystem and solve many of the world's pressing issues.**

At Tech Mahindra, we are strong proponents of technology for all and technology for good. We believe in leveraging our technology expertise and building new capabilities to deliver superior solutions for a better world. With pandemic, triggering a chance to strike technology distribution equilibrium, we are scaling our capabilities in newer areas that can provide competitive dominance to our clients and at the same time harmonise the entire ecosystem.

## CLLOUD NXT.NOW

**Next level of cloudification to empower clients and contribute to a better world**

Rapid changes are happening in cloud adoption. At TechM, we are transforming our cloud initiatives and building capabilities to ensure that our clients gain its potential benefits and are future-ready.

We are using our engineering capabilities to enhance client experiences, with an array of services, solutions and frameworks that can drive business agility at scale. Our solution CLOUD NXT.NOW, with focused hybrid cloud advisory services combined with Site Reliability Engineering (SRE) and DevOps platforms, is designed to drive reliability and productivity while controlling costs. We have invested in strengthening our cloud practices, which will drive greater momentum in existing pursuits.

### OUR CLOUD EXPERTISE

#### Comprehensive services

Advisory, transformation & migration, managed services, engineering, industry and domain specific solutions

#### Industry leading IP's and Accelerators

to enhance the cloud journey

#### Multiple offering/solution capabilities

Cloud Infrastructure, Cloud Native Engineering and Network / SAP / Data and Analytics / Engineering / Oracle on Cloud

#### Collaboration with leading hyperscalers

All major Hyperscaler partnerships

#### Solid team

of 5,500+ Cloud professionals, 85% being certified on various cloud technologies

### POWERING BUSINESS WITH CLOUD NATIVE ENGINEERING SOLUTION

Cloud adoption is a key differentiator in the competitive global retail landscape. A leading US Grocer wanted digital transformation around cloud to become more agile and responsive to business opportunities and improve customer experience.

At TechM, we developed a cloud native engineering solution and helped modernise their systems to achieve this. It is enabling them better manage changing demand scenario with improved back-end functions, inventory management and optimised delivery processes. The client has been able to gain competitive advantage and improve business outcomes.

#### Impact of our cloud solution

75% improvement in speed of delivery

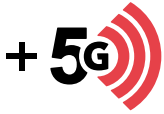
30% faster release time to market

50% improvement in MTTR

85% test automation

**Watch video:**  
<https://www.youtube.com/watch?v=ocUi6lrx5Y>

**250+ cloud projects executed for Fortune 100 and Fortune 500 customers, including few of the world's largest projects**

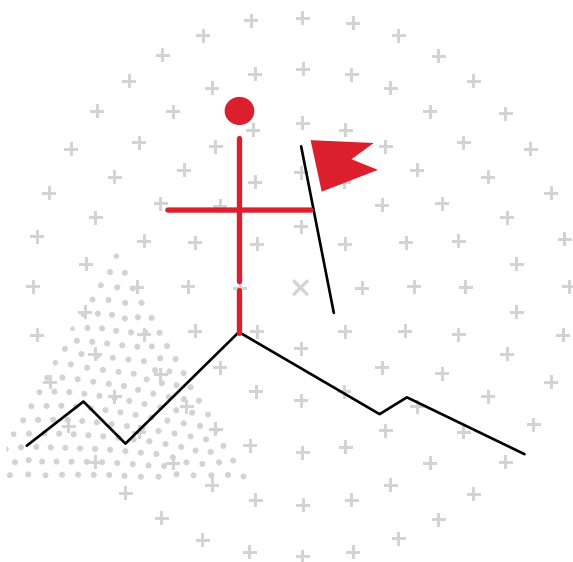


**ENABLING NETWORKS OF THE FUTURE TO IMPROVE BUSINESS OUTCOMES**

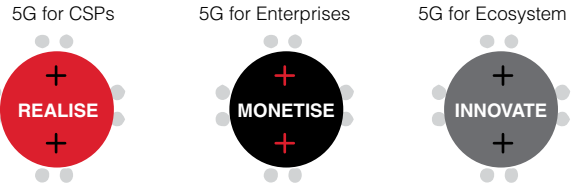
5G wave is emerging as a powerful tool to unlock industrial ecosystem and economic engine. With data consumption growing 10 folds and unlocking opportunities, there is a global race for 5G dominance with more than 120 countries adopting it to phase out legacy system. Carriers are expected to triple their investment in future of networks and augment capacities considering future evolution.

Envisioning these trends, we, at TechM, have significantly invested in 5G-led transformation. We have built competencies in 5G and other emerging technologies such as immersive media, AI/ML, Quantum computing etc. In FY 2021-22, we hired experienced global 5G talent and reskilled 5G Network and business professionals. Strategic collaborations were entered to build capabilities in cloud orchestration, new-age transport, 5G Labs, managing private 5G and co-creating new applications in edge computing.

Our sustained efforts have enhanced our capabilities to work across network lifecycle and innovate across private 5G and multi access edge computing. 80% of our new connectivity wins in FY 2021-22 came from 5G, and brand positioning shifted from continuous integrator to trusted transformation Partner.



**Our 5G playbook enabled by platforms, partnerships and people**



**Platforms**

**Netops.AI** Telco Cloud Transformation

**AINOF.Nxt** Intelligent Network Operations

**5G4E** Empowering Verticals in 5G such as Mining.Nxt, HealthNxt

**Collaborating with Partners**

Powering Netops.AI

Digitalising enterprises with Private 5G

Enabling 5G enterprise

Building 5G Smart Traffic Pipes

5G Labs

12,000+ Network consultants with deep expertise

**ENABLING IMPROVED BUSINESS PERFORMANCE WITH INNOVATIVE 5G SOLUTIONS**

At TechM, we partnered with a prominent 5G industry player in the Middle East to lay down the roadmap for enabling smart ports. As a part of scope, we executed 5G proof of concept of our TechM PortNxt solution, providing an ideal ecosystem where port workers and machines can work in tandem to optimise operations and improve efficiency. This integrated system comprised of 5G-enabled cameras, sensors and connected devices for collecting and analysing real-time video application over a stable and efficient 5G private network service instantiated on the private MEC platform.

This AI-enabled live feed analytics over 5G infrastructure facilitated the Carrier in capturing and examining defects and desired information of target vehicles in real-time. This technology is helping them reduce container dwell time, fuel cost and achieve improved worker safety.



## XDS: EXPERIENCE DESIGN SERVICES

### DELIVERING HUMAN-CENTRED, PURPOSE-DRIVEN EXPERIENCES

At TechM, we deliver solutions that give our clients competitive dominance over their peers, not just advantage or parity. All brands have a healthy obsession with the experience they deliver to their customers, but the global pandemic reminded everyone that suppliers and employees matter too. We extended our design framework to not just focus on customer experience (CX) but also on human-centred experiences (HX). By connecting employees, suppliers, partners, and customers to a brand, one can deliver seamless purpose-driven experiences across all channels – print, web, mobile, social, mail, physical, meta, broadcast – yielding loyal, long-lasting, and memorable brand experiences.

Our award-winning XDS division is one of the most awarded digital transformation suppliers in the world with its work cutting across 40 end-markets and over 1,000 clients. We are leveraging its deep capabilities to give our clients global reach, powerful resources, and world-class solutions across every sector of technology, design, and marketing.

### XDS OFFERINGS

**Experienced Management:** Strategy, Creative, Content Production

**Enterprise Commerce:** Platforms, Integrations, Books of Record, Data & Analytics

+  
**We Think Global and Drive Innovation Because We Care**

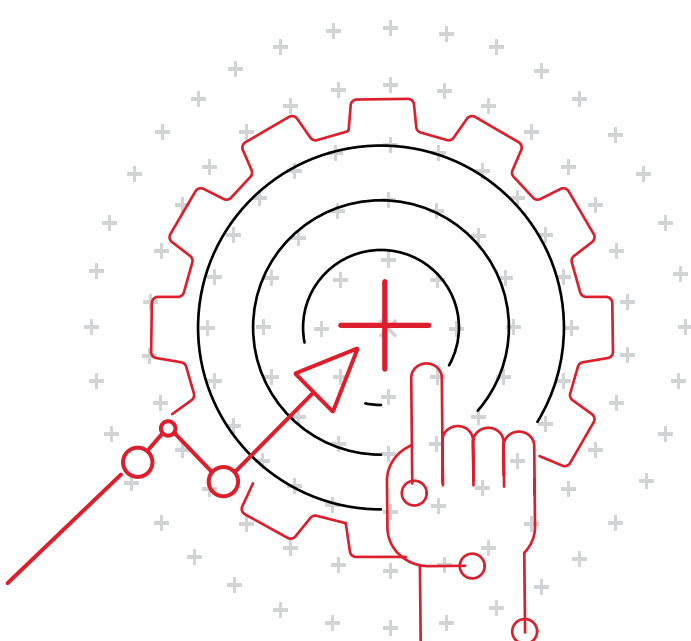
+  
**PERSONALISATION PAIRED WITH A POWERFUL DIGITAL STACK**

The most popular worldwide cookie brand sought a strategic partner to execute a 360° digital transformation spanning an eCommerce selection and implementation, unique personalisation tools fit for their product along with complimentary content and UX. They strived to create a disruptor that would encourage their loyal consumers to directly complete their purchases online as opposed to in-store.

To complete this initiative, we delivered a fully redesigned website, featuring a new tool that allowed users to fully personalise their cookie, from choosing the crème colour, topping, sprinkles, and the option to upload a photo and text. This tool also gave users the ability to see the changes made in real-time with a visual rendering. We offered a unique value proposition through our ability to connect eCommerce expertise, an understanding of third-party integration partners, and innovative content solutions that would maximise impact for the brand and provide a scalable model for their growing business.

Following the launch, the brand saw record sales with users taking advantage of the unique features. In addition, the new site has received national attention and awards with press from multiple outlets highlighting the distinct design, solution, and user experience.

+



## ENGINEER YOUR NXT.NOW

### DELIVERING TOMORROW'S DIGITAL ENGINEERING ENTERPRISES

At Tech Mahindra Engineering, we believe the only way to define the future is to design it today. In the last decade, we have consistently emulated this vision into helping all our customer organisations reshape their digital future. Our next step is to move to being future-ready with a brand-new engineering approach. The vision for Tech Mahindra engineering is founded on the new digital economy considering emerging market trends like digital engineering, intelligent workplaces, adoption of tele-everything, end-to-end connected and immersive approach covering smart manufacturing and the need for an overall resilient business framework. We call this approach as **Engineering Your NXT.NOW™**

Our core value proposition to customers is aligned to the enterprise's key asks – **Maximise on the Existing** (driving efficiency and best practices in existing engineering programs and processes), **Develop the Next** (building differentiated products and services for the future), **Ace the Change** (adapt, adopt and become adept at this dynamic change in the market).

We have 50+ technology platforms and solutions along with 25+ independently developed tools and frameworks helping clients achieve faster time-to-market and incremental innovation.

Our Telecom Engineering Solutions unit provides consulting, turnkey product development, integration and migration services across Customer Premises Equipment, Fixed, Wireless Network Infrastructure and Personal Devices and IoT platforms and applications.

We have built robust capabilities in 5G engineering including 5G core elements, 5G device certification labs, engineering smartphones and hotspots, and setting-up Open RAN ecosystem.

+ **Ranked among leader in Engineering Service capabilities from leading analyst firms such as Everest Group, Zinnov, ISG for multiple areas**

#### Our engineering prowess

**Art to part heritage:** Engineering consulting to product sustenance and after-market support

**Engineering excellence hubs:** 50+ state-of-the-art global engineering centres

Diverse industry expertise (Aerospace and Defence, Automotive, Industrial, Telecom, Healthcare, Energy & Utilities and ISVs)

### LEADING GLOBAL AUTOMOTIVE PASSENGER OEM

Tech Mahindra is the leading engineering service provider for all the vehicle development programs - 8 cars for 2 brands for India and Global Market.

#### BUSINESS CHALLENGE:

- + Simultaneous execution of 8 individual programs
- + Customer needed a communication channel to be developed between OEM global locations and Tier 1 suppliers
- + New tier 1 suppliers needed to be upgraded to OEM standards
- + Bringing different variants of vehicles of the OEMs indigenised in line with global safety norms

#### BUSINESS IMPACT ACHIEVED:

- + End-to-End ownership (from Style to SOP)
- + Helped OEM to achieve the first car roll-out FIRST TIME RIGHT
- + Elimination of 20% prototype testing using best-in-class simulation standards
- + Creation of a robust digital framework of DMU
- + Indian frugality with global class

# RALLYING ON THE STRENGTH OF OUR TECHMIGHTIES

**The pandemic era has accelerated digital adoption bringing about heightened change and increased need for sustainable, technology-led transformation. The IT industry is witnessing a war for talent as the demand for skilled individuals surpasses supply. Organisations that invest in their people and offer meaningful work experiences are better placed to capitalise on future opportunities.**

TechM seeks to create a purpose-driven organisation built on the strength of our people to deliver value to stakeholders. In FY 2021-22, we have only intensified our efforts around work (meaningful), worker (building people strength) and workplace (culture) to stay ahead of the curve. We do this by adopting next-generation technologies that helps our TechMighties to imagine, build, and run work. We endeavour to create the best human experiences for our people with focus on healthy, inclusive, empowered and balanced environment. We also strive to onboard the best in talent while ensuring their future-readiness, fostering innovation and driving performance orientation.

## OUR THREE-PILLARED APPROACH TO MAKE TECHM FUTURE-READY

### + Work

**Build niche skills**

**Ensure physical and mental well-being**

### + Worker

**Building a flexible talent pool**

**Young leadership development**

### + Workplace

**Ownership and Innovation Culture in a hybrid workplace**

## WORK

### Building niche skills

With a quantum leap in digital transformation, there was a fundamental change in the nature of work that required new skills and a different mindset. We adopted the way we worked making remote collaboration, continuous learning and well-reasoned risk taking a way of life. We have worked on strengthening our leadership across the full spectrum of emerging technologies by hiring the right talent and encouraging self-learning. Our learning courses have evolved to skilling units that promotes exploratory learning of both technical and behavioural skills with training outcomes measured through tangible business results. Using learning platforms like #NAD Learn and HMM Spark have embedded learning in the flow of work and helped our associates' growth align to organisational goals.

### Ensuring physical and mental wellbeing

At TechM, we focus on the psychological and physical safety of employees. During the pandemic, we have rolled-out several #WellnessFirst initiatives for a happier, healthier and more productive workforce. All the people processes at TechM now go through wellbeing audit to identify the stress points and they are addressed proactively. Our Wealth of Wellness (WoW) Program is ensuring preventive, personalised, and proactive wellness across eight dimensions including physical, mental, emotional and financial.

## WORKER

### Building a flexible talent pool

We have adopted several innovative practices to build a robust talent pipeline including opening centres in tier-II cities, nearshoring, accelerated promotions, and increased fresher hiring. With 'Work from Anywhere' phenomenon being a norm, the employee hiring focus has shifted from qualification to skills.

We have increased talent hiring from Tier II & III cities across India giving our associates the chance to work closer to home while also leveraging the skills available in each of these untapped geographies. Niche talent was hired in nearshore delivery centres across Eastern Europe and Latin America to widen the talent pool, enhance delivery agility, and help build a better connect with clients in those geographies. There is also a strong focus on hiring women and person with disabilities as there are fewer location constraints with remote working which has led to a significant improvement in our diversity metrics.

### Young Leadership development

We are building leadership organically through multiple programs aligned to competencies and roles, leadership skill development and fast-tracking hi-potentials among others.

Leaders who understand the business can help the organisation gain a competitive advantage by improving the bottom line, attracting the right talent, driving strategy execution and increasing the probability of navigating change in a rapidly evolving technology industry like IT. Our LEAP program focusses on identifying talent from non-technical background and grooming them for technology, delivery and sales roles so that they can bring in domain knowledge and have greater customer connect. The EMBARK program aims at developing the competencies of existing Program Managers to ensure optimum fitment and reduced external hiring.

Refer to page 105 for more information on our Human Capital

## WORKPLACE

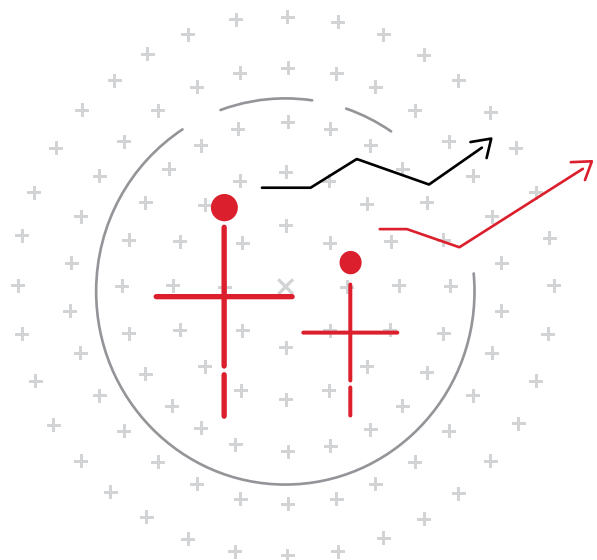
### Ownership and Innovation

People development at TechM aims to imbibe the following atomic habits – Alternate thinking, Bias for action, Closure not follow-up, Data over emotions and Extreme ownership. This helps associates develop a solution mindset that helps them tackle complex challenges presented in the 'new normal'. We have always encouraged innovation, experimentation, failure, crowdsourcing and collaboration. By taking a people-first approach and encouraging associates to innovate without the fear of failure, we are building a workplace that is at the forefront of driving positive change in the world around us.

### Culture in a hybrid workplace

In the remote working setup, there was also a challenge of familiarising new hires with the organisational culture. And so, we focused on building remote engagement right from transparent communication to virtual celebrations.

We have leveraged digital collaboration tools to recreate office experience for our remote working associates. We have tools like TechmighTea that connect random colleagues for virtual coffee/tea meetings which often leads to serendipitous innovation. We created virtual 'water-cooler' moments through initiatives like All Hand Meets with CXO, Lockdown Contests, Location Connects etc. along with family connects like Virtual Summer Camps, Kahoot, Yoga etc. These initiatives along with continuous communications plays a critical role in retaining organisational culture and associates echoing #lovetobeTechM.



# BUILDING NEXTGEN DELIVERY EXCELLENCE

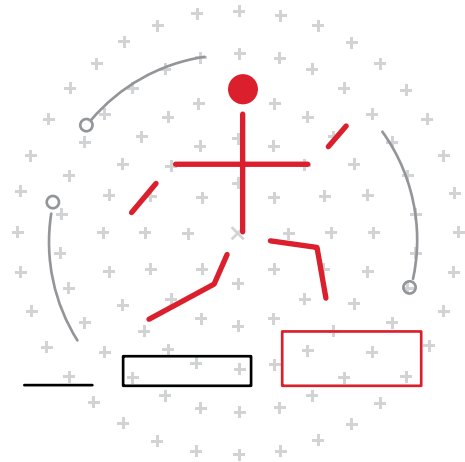
**Businesses are transforming rapidly to remain relevant and competitive. They need the ‘New World IT’ that is powered with customer data, online sales and marketing, IoT and self-service enabled, intelligence-driven just-in-time production, rapid sentiment analysis and fast remediating actions. This necessitates us to reinforce our teams with futuristic technical capabilities and scale our delivery competencies to provide them right solutions rapidly and first time right.**

## NAD (#NewAgeDELIVERY)

NAD is our new-age service delivery platform, built with AI-powered tools and automation assets to accelerate the technology solution delivery. During FY22, we continued our investments and adoption of NAD towards providing an intelligent value stream management environment, to enable product-aligned IT engineering and delivery.

NAD 2.0 consolidates TechM’s delivery and automation assets, as well as those of our key partners such as Digital.ai, providing seamless end-to-end engineering and business services lifecycle management solution. This enables adoption of design thinking, DevSecOps, SRE processes as well as software engineering best practices. NAD 2.0 also includes engineering workbench that provides a low-code no-code environment to create and deploy end-to-end process workflows by integrating underlying composable services.

Its services are available on a subscription-based model on TechM cloud, on customer cloud or on-premise infrastructure, to cater to a variety of customer requirements. It also powers a number of TechM operational process towards talent management and resource management.



### NAD 2.0 FEATURES +

**25+ modules (partners and TechM IP) covering entire spectrum of DevSecOps, AIOps and value stream management services**

**600 automation bots covering IT and business processes**

**Engineering workbench module to democratise and provide a low-code platform towards accelerated adoption of DevOps and Service Automation work-flows across our programs**

**9,000+ curated courses and assessments**

**1,600 SKUs (skill units)**

**4,000+ projects onboarded**

### AUTOMATION (AQT)

Automation is witnessing increased adoption across the digital transformations and business/IT operations, and the technology backbone to support automation has expanded beyond just RPA, Analytics and AI.

At TechM, we continued to invest in AQT Framework to respond to these Hyperautomation trends through our IP and Partner platforms. We have added practices and platforms around Process/Task mining, Human-in-the-loop, Low-code and No-code platforms, Event Driven architectures and Integration platforms to provide increased capabilities for E2E automation.

AQT is a key lever towards enhancing our service delivery efficiency, and a growth enabler as we leverage it to help our clients drive digital transformation.

## Key highlights of AQT:

Consolidation with NAD for integrated service delivery

Capabilities in enterprise DevOps and Cloud Native Engineering automation services

Automated threat detection and data leakage prevention processes across Security and Risk management initiatives

AI-powered Smart Contract Management processes for reduced cycle time and traceability

Invoice Processing as a Service that provides a self-funded 'pay-as-you-go' service model

**350+**    
No. of customers adopting AQT

## LEARNING & DEVELOPMENT (L&D)

Learning & Development is vital to our business and has active involvement and sponsorship of executive management.

We have implemented three different learning functions to achieve highest quality upskilling and specialisation for business units and associates. This includes Technical Learning Services for technology, domain, professional/delivery, process and frameworks; Leadership Learning Services for soft, behavioural and leadership and life skills; and Sales Learning for sales skills.

Further, we have ensured dedicated learning team for each business unit to deliver real-time and personalised learning interventions. This team works in coordination with the centralised learning team and has new-age roles like learning consultant, content curators, facilitators, mentors etc.

## Our Learning Strategy:



### New-Age Learning Ecosystem for scale and speed of upskilling

Deploy Skill Units (having a set of related skills cutting across various roles) through NAD-Learn platform to develop Full-Stack/Multiskilled professionals

Support for micro, mobile, social and community-based learning



### Proactively creating future-ready workforce

Upskilling across 15+ competencies where bulk opportunities are expected



### Learning Academies, COEs and Finishing schools

Undertake super-specialisation programs for critical/high impact roles and technologies



### Leverage Partner ecosystem for world-class learning experience

50+ partners/alliances for sourcing best learning content, assessments and tools

## FY22: Learning and Development Highlights

**10,000+** employees certified in Future Skilling and deployed

**10,000+** Freshers trained and deployed

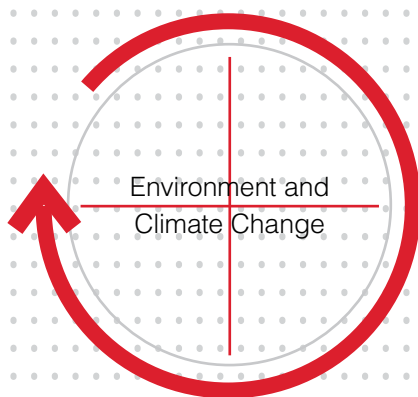
**90%** Training coverage



## Environment

# Catalysing a Greener, Sustainable and Resilient World

**WE INTEND TO PLAY A CRUCIAL ROLE IN TRANSITIONING TO A DIGITAL AND LOW-CARBON ECONOMY THROUGH OUR PIONEERING AND PURPOSEFUL SOLUTIONS AS WELL AS BY FOCUSED EFFORTS IN THE AREAS OF SUSTAINABILITY. WE HAVE BEEN AT THE FOREFRONT FOR ENABLING OUR CUSTOMERS AND SUPPLY CHAIN TO TRANSFORM THEMSELVES SUSTAINABLY AND FUTURE-PROOF THEIR BUSINESS BY ADOPTING SUSTAINABLE PRACTICES. THESE ACTIONS ENABLE US TO BE BETTER PREPARED AGAINST CLIMATE ADVERSITIES AND SAFEGUARD OUR BUSINESS, ASSETS AND PEOPLE WELL IN ADVANCE.**



Refer to page 169 for more information on our environmental initiatives

## Environmental Recognition and Ratings

### Only Indian company

- + Out of 44 global companies to be awarded HRH The Prince of Wales' Terra Carta Seal
- + To be listed in Carbon Clean 200 Global list 2021 by Corporate Knights and As You Sow

### DJSI 2021

Member of

### Dow Jones Sustainability Indices

Powered by the S&P Global CSA

- + Ranked 1<sup>st</sup> among top IT companies of the world in the "TSV IT Services & Internet Software and Services" segment
- + One amongst only 5 IT companies from India in the DJSI World Index 2021
- + One of only 15 Indian Companies in the DJSI Emerging Markets 2021

### MSCI 2021 'A' rating badge



CLIMATE WATER



### ONLY INDIAN IT COMPANY

- + to score 'A' in both Climate Change and Water Security
- + to be awarded Gold Class in the S&P Global Sustainability Yearbook 2022



Silver rating  
with 86 percentile



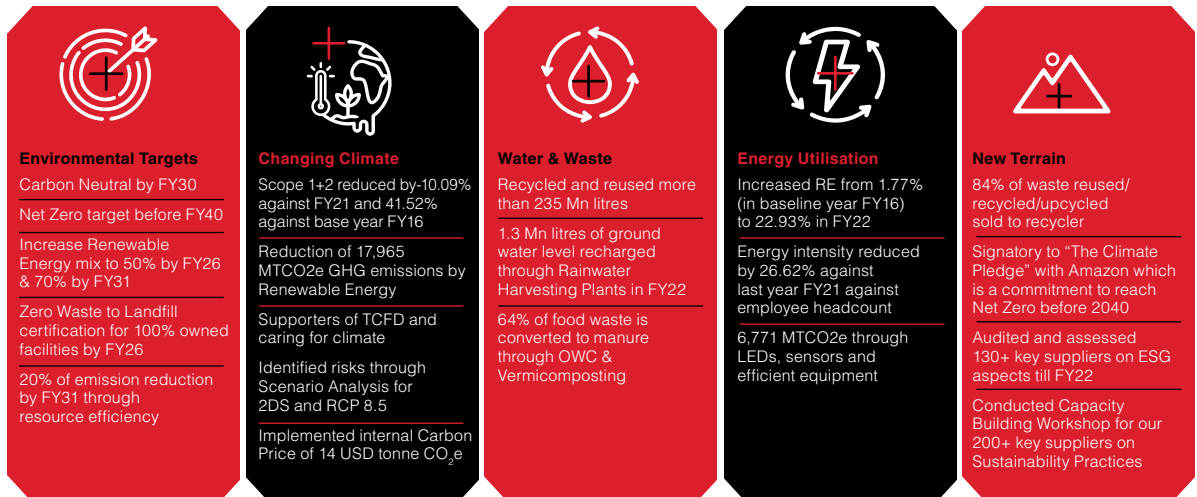
FTSE4Good  
Constituent of Financial Times  
Stock Exchange-Russell Group

## Environmental Governing Principles

- + Roadmap and targets
- + Board oversight
- + Policy implementation
- + Carbon price implementation
- + Low emission technology and Net Zero strategy adoption
- + Identify risks by scenario and sensitivity analysis
- + Capacity building workshops across the value chain
- + Partnerships to create solutions



## Environmental highlights FY22



### Approach to Impending Climate Crisis

Climate change poses threat to life and the way businesses operate. Saving lives and livelihood requires urgent action. At Tech Mahindra, we have formed a rapid incident response team that follows the business continuity and disaster recovery plan to handle climate-related impacts. We are investing in low carbon technologies, improving resource efficiency, developing green solutions, and using cloud computing and virtualisation to reduce the impact of climate issues.

### Transitioning Towards Net Zero

Our road to Net Zero is centred around energy efficiency, switching to renewable energy and carbon offsetting. We have been increasing our focus on energy conservation, renewable energy sourcing, building management systems integrated with IoT and automated sensors and enabling virtual meetings through collaboration tools to accelerate the reduction of emissions. We are transitioning towards new technologies to accelerate our carbon neutrality plans. We have implemented internal carbon prices to fund initiatives like installing energy-efficient devices and implementing green initiatives. We are also leveraging opportunities to try help solve some of the Climate issues.

### Making Sustainability Personal (MSP)

When we make Sustainability Personal at Tech Mahindra, it transcends the boundaries of targets and roadmaps to become a real experience and a purpose. MSP is helping associates to not just act sustainably but also think sustainably – at the workplace and beyond. The MSP volunteering programme harnesses individual shifts in behaviour to internalise sustainability. The associates are inspired to make sustainability personal, through green volunteering and awareness programmes, that helps fight pollution and curb climate change.

### Green Solutions

As ESG and climate priorities gain momentum, we are supporting our customers in their ambition to meet and go beyond their compliance requirements. These efforts are focused on climate, energy, water, resource efficiency, sustainable mobility, and waste management. We help our clients to incorporate and embed sustainability strategies in their systems through service offerings that build long-term value in this agile world. We include low carbon technologies, green buildings, energy-efficient operations, renewable energies, water efficiency, and green mobility into our product portfolio. Integrating sustainability with digital presents an opportunity that can enable the transition of the global economy to a green digital economy.

## Social

# Progressing to Build Empowered Communities

**WE UNDERTAKE COMMUNITY RELATED INITIATIVES THROUGH TECH MAHINDRA FOUNDATION (TMF). THE INITIATIVES ARE FOCUSED AROUND DRIVING EDUCATION AND BUILDING SPECIALISED SKILLS FOR EMPLOYABILITY INCLUDING PERSONS WITH DISABILITIES. OUR ACTIONS ARE DIRECTED AT EMPOWERING COMMUNITIES AND SETTING THE FOUNDATION FOR NATION'S DEVELOPMENT.**

## Skilling and uplifting youths

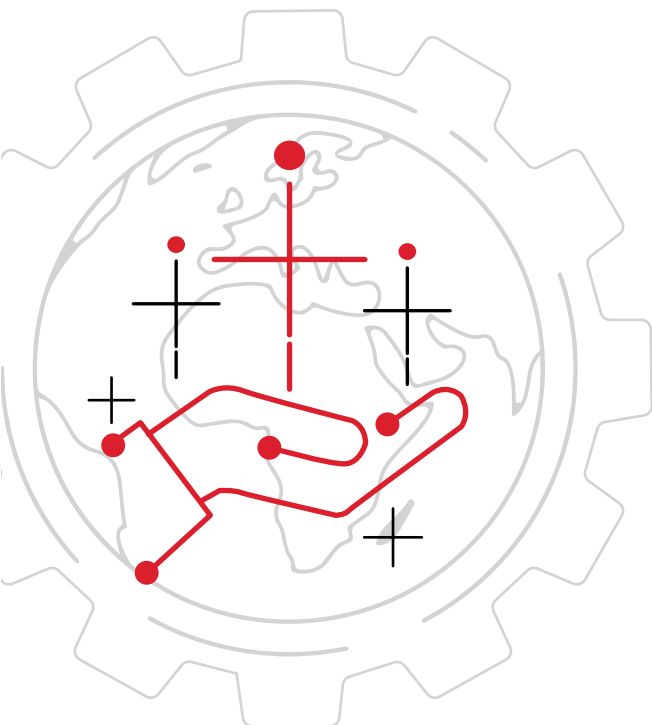
TMF runs 94 projects in collaboration with NGO partners towards uplifting country's youth and transforming them into skilled professionals. Branded SMART (Skills-for-Market Training), our programmes provide vocational training on foundation skills and 50 sector-specific courses in 15 domains such as healthcare, automobile, capital goods, construction retail and hospitality among others. Aligned to market requirements, these courses are facilitated through SMART Centres across 11 cities. At present, the Foundation runs eight Tech Mahindra SMART Academies including 4 Healthcare Academies in Delhi, Mohali, Mumbai and Pune, 3 Digital Academies in Visakhapatnam, Hyderabad and Mohali and 1 SMART Academy for Logistics and Supply Chain Management in Visakhapatnam under its directly implemented programmes.

## Promoting Quality Education

Be it pandemic or any other challenges, we believe that the quality learning should never stop.

Our flagship programme, Shikshaantar, has been at the forefront of nurturing students, teachers and school leaders for creating safer and happier classrooms. Under the programme, we run two In-service Teacher Education Institutes (ITEIs) in collaboration with East and North Delhi Municipal Corporations. They support professional development of teachers through highly-qualified teacher educators, well-structured workshops, fully-equipped ICT labs and resource centres. The ITEIs also provided training on digital literacy in response to pandemic. Additionally, we supported Sahayata Trust in their Science Academy for teachers.

We run a unique Mobile Science Lab which provides experiential learning environment and empower government school educators to nurture the budding scientists. A total of 6,233 students benefited through it.



### Enabling Disabled to Rise

We run specialised SMART Centres and ARISE Schools that are dedicated to students and persons with disabilities. Our 14 SMART+ Centres provides multiple sector-specific training through specially designed curriculum for visually / hearing impaired and orthopaedically challenged. A total of 12,197 youths have been trained through it.

28 ARISE+ partner projects supported by us to facilitate education for children/persons with disabilities aged 3-18 years. It works towards early detection of disabilities in children and counselling for parents, teachers and other caregivers. Specialised techniques are provided to take care of children with special needs and help them gradually become a part of the mainstream education system. A total of 43,601 students have benefited through it.

### Employees Lead from the Front

TechM employees have always been a key change driver and readily offer help in community activities. We also undertake to periodically orient and sensitise them on corporate social activities. In FY 2021-22, our associates volunteered ~32k hours for COVID Relief and other societal causes.

### Mental Health Awareness and Child Welfare

We undertake collaborative capacity building of teachers and students to prevent child abuse and improve their mental health. 1,447 teachers were trained on identifying psychological issues in children in partnership with Fortis School Mental Health Program and Macmillan India. 1,887 teachers



and 4,978 students were trained on child safety and safeguarding in association with Our Voix. 2,876 government school teachers were trained on various ICT skills for digital literacy in partnership with Rotary International Literacy Mission. Further, an aggregator platform - Mind@Ease™ - was launched for counselling services in association with our Makers Lab touching 2,042 people.

#### Impact of our programmes

**135,455**

+ Youths trained

**46,355**

+ Teachers supported

**150,922**

+ Children beneficiaries

**55,812**

Disabled individuals supported



## COVID-19 support

With COVID-19 persisting for the second year, we continued our efforts around enhancing healthcare infrastructure and training frontline staff, providing immediate relief to society and enabling digital learning.

### Enabling healthcare infrastructure

- + 10 oxygen plants installed and 20 fully-equipped ambulances provided across various states
- + Emergency support to hospitals for ventilators, fowler beds, multi-para monitors, syringe pumps, BiPAP, oxygen concentrators and cylinders, etc.
- + Healthcare professional trained at TMF SMART centres and healthcare academies

### Digital learning

- + Distributed 1,000 tablets and 162 laptops to our students and other beneficiaries
- + Capacity building of 1,569 government school teachers in digital literacy

## COVID-19 response

### 582 projects

+ Supported across 17 states

### 62,010

+ PPE kits to Frontline Workers

### 10

+ Oxygen plants and

### 5,000

Oxygen cylinders donated

### 9.52 lakh

+ Beneficiaries supported with dry ration kits

### 3.05 lakh

+ Beneficiaries used 305 Sanitised Community Toilets

### 31,884 hours

+ Volunteered by TechM employees

### 5.41 lakh

+ Cooked meals distributed

### 55 hospitals

+ Supported with medical equipment and other consumables

### 4,286 families

+ Supported with direct cash transfer

### 20

+ Basic life support ambulances donated



Refer to page 147 for more information on our CSR initiatives

## Governance

# Building a Purposeful Organisation with Strong Governance Practices

**OUR GOVERNANCE PRACTICES ARE ALIGNED WITH OUR FOCUS ON BEING A PURPOSE-LED, PEOPLE-CENTRIC AND PERFORMANCE-DRIVEN ORGANISATION. WE REMAIN COMMITTED TO HIGHEST GOVERNANCE STANDARDS TO DISCHARGE OUR DUTIES AND RESPONSIBILITIES RESPONSIBLY AND EFFECTIVELY MANAGE OUR ENVIRONMENTAL AND SOCIAL IMPACTS.**



## Board of Directors



+ **Anand G. Mahindra**  
Non-Executive Chairman



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



+ **T. N. Manoharan**  
Lead Independent Director



+ **Shikha Sharma**  
Independent Director



+ **M. Rajyalakshmi Rao**  
Independent Director



+ **Mukti Khaire**  
Independent Director



+ **Haigreave Khaitan**  
Independent Director



+ **Penelope Fowler**  
Independent Director



+ **Dr. Anish Shah**  
Non-Executive Director



+ **Manoj Bhat**  
Non-Executive Director

## Board-led ESG and Climate Considerations

We have a strong governance framework on climate change and sustainability which includes Board, CSR Committee, Sustainability Council, Corporate Sustainability Cell and Sustainability Champions. The Board through the CSR Committee ensures the planning and implementation of environmental and social programmes.

## Ensuring an Ethical and Transparent Company

We ensure ethical and transparent practices by ensuring stringent adherence to the Company's Code of Ethical Conduct across all business dealings and actions. The Board of Directors, Senior Management, Associates (permanent and on contract) and all external stakeholders strictly adhere to it. We have a zero tolerance policy for any kind of unethical practices. This helps us to safeguard the interests of stakeholders including employees, customers and partners, reduce risks for investors and ensure more reliability and consistent improvement in our financial performance.

Our strong governance practices led by ethical conduct, transparent disclosures and business integrity provides a market differentiation to our brand, and we are continuously working towards strengthening it.

The Board of Directors of Tech Mahindra has adopted the Code of Ethical Business Conduct as a testimony to the standards of loyalty, honesty, integrity and to avoid any conflict of interest.



## Governance led by Robust Policies and Standards

Cognizant of the risks due to various unethical practices, we have devised multiple policies including the Anti-Corruption and Bribery Policy, Prohibition of Insider Trading, Whistle-Blower Policy, and Anti-Money Laundering among others. These are monitored and reviewed on an ongoing basis as per regulatory requirement. We also continue to improve them based on benchmarking to global best practices. This helps us maintain the required checks and balances to ensure high level of ethics and integrity.

### Board Independence

+ Independent Director 6

+ Non-Executive Director 3

+ Executive Director 1

### Board Gender Diversity

+ Male 6

+ Female 4

### Directors' Tenure on Board

+ 1-5 years 6

+ 6-10 years 3

+ 10+ years 1



**Integrated  
Report**



**KPMG Assurance and Consulting Services LLP**  
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## **Independent Limited Assurance Statement to Tech Mahindra Limited on select Non-Financial Disclosures in the Integrated Report for Financial Year 2021-22**

To the Management of Tech Mahindra Limited, Plot #1, Phase 3, Rajiv Gandhi Infotech Park, Hinjewadi Phase 3, Pune – 411057, Maharashtra, India.

### **Introduction**

We ('KPMG Assurance and Consulting Services LLP', or 'KPMG') have been engaged by Tech Mahindra Limited ('Tech Mahindra' or 'the Company') for the purpose of providing an independent assurance on the selected non-financial disclosures presented in the Integrated Report of the Company ('the Report') for the reporting period from 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022. Our responsibility was to provide limited assurance on selected non-financial disclosures in the Report as described in the scope, boundary and limitations.

### **Reporting Criteria**

Tech Mahindra applies its own sustainability reporting criteria derived from the following standards for reporting environmental information, natural capital and associated business impacts:

- Global Reporting Initiative (GRI) Standards 'in-accordance' – comprehensive option
- The principles of the International Integrated Reporting Framework (<IR>) published by International Integrated Reporting Council (IIRC)
- The Sustainability Accounting Standards Board (SASB) – Software and IT Services
- Taskforce on Carbon Related Financial Disclosures (TCFD)
- Climate Disclosure Standards Board (CDSB)

### **Assurance Standard**

We conducted our assurance in accordance with

- Limited Assurance requirements of International Federation of Accountants' (IFAC) International Standard on Assurance Engagement (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information.
  - Under this standard, we have reviewed the information presented in this Report against the characteristics of relevance, completeness, reliability, neutrality and understandability.
  - Limited assurance consists primarily of enquiries and analytical procedures. The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement.

### **Scope, Boundary and Limitations**

- The scope of assurance covers the environmental and social disclosures of Tech Mahindra as mentioned in the table below, for the period 01 April 2021 to 31 March 2022.
- The reporting boundary includes India and Global operations of Tech Mahindra including its legal entities as mentioned in the Report.





The Disclosures<sup>1</sup> subject to assurance based on GRI Standards are as follows:

<p><b>Universal Standards</b></p> <ul style="list-style-type: none"> <li>• <b>General Disclosures</b> <ul style="list-style-type: none"> <li>○ Organizational Profile (102-8)</li> <li>○ Stakeholder engagement (102-40, 102-42, 102-43, 102-44)</li> <li>○ Reporting practice (102-46 to 102-50 to 102-52, 102-54 to 102-55)</li> </ul> </li> </ul>
<p><b>Topic Specific Standards</b></p> <ul style="list-style-type: none"> <li>• <b>Environment</b> <ul style="list-style-type: none"> <li>○ Energy (2016): 302-1, 302-2, 302-3, 302-4</li> <li>○ Water and Effluents (2018): 303-3, 303-4, 303-5</li> <li>○ Emissions (2016): 305-1, 305-2, 305-3<sup>2</sup>, 305-4</li> <li>○ Waste (2020): 306-3, 306-4, 306-5</li> </ul> </li> <li>• <b>Social</b> <ul style="list-style-type: none"> <li>○ Employment (2016): 401-1, 401-2, 401-3</li> <li>○ Occupational Health and Safety (2018): 403-2, 403-3, 403-8, 403-9</li> <li>○ Training and Education (2016): 404-1, 404-2, 404-3</li> <li>○ Human Rights Assessment (2016): 412-1, 412-2</li> <li>○ Local Communities (2016): 413-1</li> <li>○ Public Policy (2016): 415-1</li> </ul> </li> <li>• <b>Economic</b> <ul style="list-style-type: none"> <li>○ Anti-Corruption (2016): 205-1, 205-2, 205-3</li> </ul> </li> </ul>

**Exclusions**

Assurance scope excludes the following:

- Disclosures other than those mentioned under the scope above
- Data and information outside the defined reporting period
- Data related to Company’s financial performance
- The Company’s statements that describe expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company and assertions related to Intellectual Property Rights and other competitive issues
- Data review outside the operational sites as mentioned in the boundary above
- Strategy and other related linkages expressed in the Report

**Assurance Procedure**

Our assurance processes involve performing procedures to obtain evidence about the reliability of specified disclosures. The nature, timing and extent of procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the selected non-financial disclosures whether due to fraud or error. In making those risk assessments, we have considered internal controls relevant to the preparation of the Report in order to design assurance procedures that are appropriate in the circumstances.

Our assurance procedure also included:

- Review of materiality and stakeholder engagement framework deployed by Tech Mahindra.
- Testing on a sample basis, the evidence supporting the data and information.
- Understanding the appropriateness of various assumptions, estimations and materiality thresholds used by Tech Mahindra for data analysis.
- Assessment of Tech Mahindra’s reporting procedures regarding their consistency with the application of GRI Standards.
- Review of systems and procedures used for quantification, collation, and analysis of selected non-financial disclosures included in the Report
- Discussion with the personnel responsible to ensure the reliability of data and information presented in the report.
- Review of the report to ensure that there is no misrepresentation of disclosures as per the scope of assurance and our findings.
- Assessment of data reliability and accuracy.

<sup>1</sup> For details regarding the disclosures, please refer the GRI Content Index

<sup>2</sup> The data disclosed under 305-3 includes upstream and downstream categories: Purchase of goods and services (Inbound transportation, outbound transportation, and Purchase goods material), Waste generated in operations, Business travel, Employee commute, Fuel and energy related activities and Upstream leased assets



The data was reviewed through virtual interactions through screen sharing tools at the corporate office and the following sample locations:

- Chandigarh, India
- Bhubaneswar, India
- Hinjewadi, Pune India
- Hyderabad (TMLW), India
- Dalian, China
- Cyberjaya, Malaysia

### Conclusion

We have reviewed the selected non-financial disclosures in the Report of Tech Mahindra Limited. Based on our review and procedures performed, nothing has come to our attention that causes us not to believe that the non-financial disclosures as per the scope of assurance presented in this Report are appropriately stated in all material respects, and in accordance with GRI Standards.

We have provided our observations to the Company in a separate management letter. These, do not, however, affect our conclusion regarding the Report.

### Independence

The assurance was conducted by a multidisciplinary team including professionals with suitable skills and experience in auditing environmental, social and economic information in line with the requirements of ISAE 3000 (Revised) standard. Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) be independent of the assurance client, in relation to the scope of this assurance engagement, including not being involved in writing the Report. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behavior. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. The firm applies International Standard of Quality Control (ISQC1) and the practitioner complies with the applicable independence and other ethical requirements of the IESBA code.

### Responsibilities

Tech Mahindra is responsible for developing the Report contents. Tech Mahindra is also responsible for identification of material sustainability topics, establishing and maintaining appropriate performance management and internal control systems and derivation of performance data reported. This statement is made solely to the Management of Tech Mahindra in accordance with the terms of our engagement and as per scope of assurance. Our work has been undertaken so that we might state to Tech Mahindra those matters for which we have been engaged to state in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Tech Mahindra for our work, for this report, or for the conclusions expressed in this independent assurance statement. The assurance engagement is based on the assumption that the data and information provided to us is complete and true. We expressly disclaim any liability or co-responsibility for any decision a person or entity would make based on this assurance statement. Our report is released to Tech Mahindra on the basis that it shall not be copied, referred to or disclosed, in whole or in part, without our prior written consent. By reading this assurance statement, stakeholders acknowledge and agree to the limitations and disclaimers mentioned above.

**Prathmesh Raichura**

Partner  
KPMG Assurance and Consulting Services LLP  
June 23, 2022

## Message from the Chief Sustainability Officer



**Sandeep Chandna**  
Chief Sustainability Officer

One of the most significant impacts of the post-pandemic economic activity has been the worldwide acceleration in embracing Sustainability. The significant human and economic impacts have been accompanied by concentrated regulatory and economic stimuli for climate-related imperatives. In the new normal, there is an acknowledgement of the need to have a heightened focus on Environmental, Social and Governance (ESG) factors globally, backed by strong actions. This is accelerated because of government and investor mandates, leading to the cost of capital becoming intrinsically linked to a company's ESG risks and disclosures. Investors are placing greater emphasis on ESG factors for capital allocation based on the evaluation of ESG parameters.

Business sustainability has evolved new trends in the sustainability landscape. These are driven by initiatives that translate the sustainability philosophy into actions that impact both companies and their stakeholders. There is a rapid action at country, industry, and corporate level on taking targets for Net Zero, becoming climate positive, increasing renewable power, planning carbon offsetting, managing waste and water and accelerating a digital transformation.

### EMBEDDING ESG INTO CORE BUSINESS

We believe that enabling our stakeholders to Rise is dependent on our taking a lead in ensuring that TechM's entire ecosystem integrates sustainability into every aspect of business, be it environmental stewardship, diversity, or customer impact. We have to change our life choices dramatically as we really can't afford the current rate of consumption of natural resources without irreparably damaging the living and the non-living on our planet. Sustainability is a cornerstone of our business strategy, and we strive to systemically embed this philosophy into all our business activities.

At Tech Mahindra, our purpose of driving positive and sustainable change in the lives of our stakeholders and communities globally, defines our approach to sustainability. We continuously create sustained outcomes that drive value and accelerate growth, while simultaneously strengthening our society and enriching the environment. We define our success by not just economic performance or mitigating climate change, or driving diversity agenda, but by aligning sustainability principles, metrics, and action plans to drive our decisions and operations. We ensure that this is supported and guided by appropriate governance mechanisms to eventually achieve our Purpose.

### PURPOSE BEYOND PROFIT

As a conscious enterprise on the road to Sustainability maturity, we focus on the principle of creating shared values. We continuously ask ourselves: How well is our business adapting to a changing world? How are we measuring and defining success beyond financial metrics? Even as we put ESG at the very heart of our operations, we are taking bold steps towards a model that will deliver sustainable business advantages with value-based impacts. As we embed ESG principles into our core strategy, we are creating and maintaining a balance between Sustainability and overall business profitability. Sustainability doesn't mean sacrificing profits or putting financial performance on the backburner – it is about integrating Purpose, People and Performance.

## ADDRESSING CLIMATE CHANGE

The pandemic has brought to the fore elements that challenged our beliefs on existential risks. From being a theoretical concept that could play out over longer time horizons, the physical shocks and impact due to climate change are taking place now. They are bringing into question our lifestyles, and ways of doing business. There has been an increase in the intensity and frequency of extreme weather events, making climate change not only a part of the boardroom agenda but also a civil society action. Companies across sectors and countries are now addressing climate change and limiting the average global temperature rise to no more than 1.5 degrees Celsius and trying to achieve Net Zero emissions by FY50.

We remain committed to proactive actions which will allow us to reach our climate-related targets which are aligned with limiting global temperature rise to 1.5°C. We have taken a target to be Net Zero well before 2040. Our R&D investments and expenditure on our material sustainability priorities are helping us bring about energy efficiency while decreasing our emissions and reducing operational costs. Our green solutions portfolio is supporting our revenue growth while enabling us to support the ESG and sustainability commitments of our customers also.

## A SUSTAINABLE FUTURE FOR ALL

The shift of interest towards a healthier planet and sustainable lifestyle has spurred an explosion of innovation activity in the realms of renewable energy, mobility, construction, finance, packaging, and carbon capture among others. Bringing together the best people and the smartest technology can help us tackle the biggest challenges of today and capture the best opportunities of tomorrow. Going digital is no longer a buzzword but an essential aspect to gain a competitive advantage in a rapidly evolving business environment. We are both leaders and change-agents for supporting our customers and the government as we progress together on this transformational journey. We are using new-age technologies to develop new solutions in the areas of climate action, Net Zero, renewable energy,

waste management, circular economy, water and material efficiency and productivity. We also use tech-based tools to drive sustainability within our operations and deliver on our social responsibility agenda to positively impact society at large. Besides customers and society, our innovation is also internally directed towards environmental protection, minimising adverse impacts on the environment and communities as well as on replenishing and reviving natural resources where possible. The Sustainability approaches reflect a deeper purpose, and we remain committed to the ethical and responsible use of technology while ensuring information security and data privacy.

## INDIVIDUALLY BEING AGENTS OF CHANGE

At Tech Mahindra, we believe that each one of us can be a harbinger of change through individual sustainable choices to support better health, improve family ties, and overall wellbeing. We actively encourage our associates to adopt green practices and we create awareness through monthly campaigns, webinars and initiatives. We have Green Marshal communities (Employees volunteering towards green initiatives) at every location who spearhead location-specific environment preservation activities. While individual action is important, it needs to be accompanied by corporations and governments acting in tandem for a global reboot. Our sustainability strategy is helping us minimise costs and attract revenues as we act on opportunities arising from sustainability risks. It also augments profitability, improves our competitive position, and reiterates our brand equity as a sustainability leader.

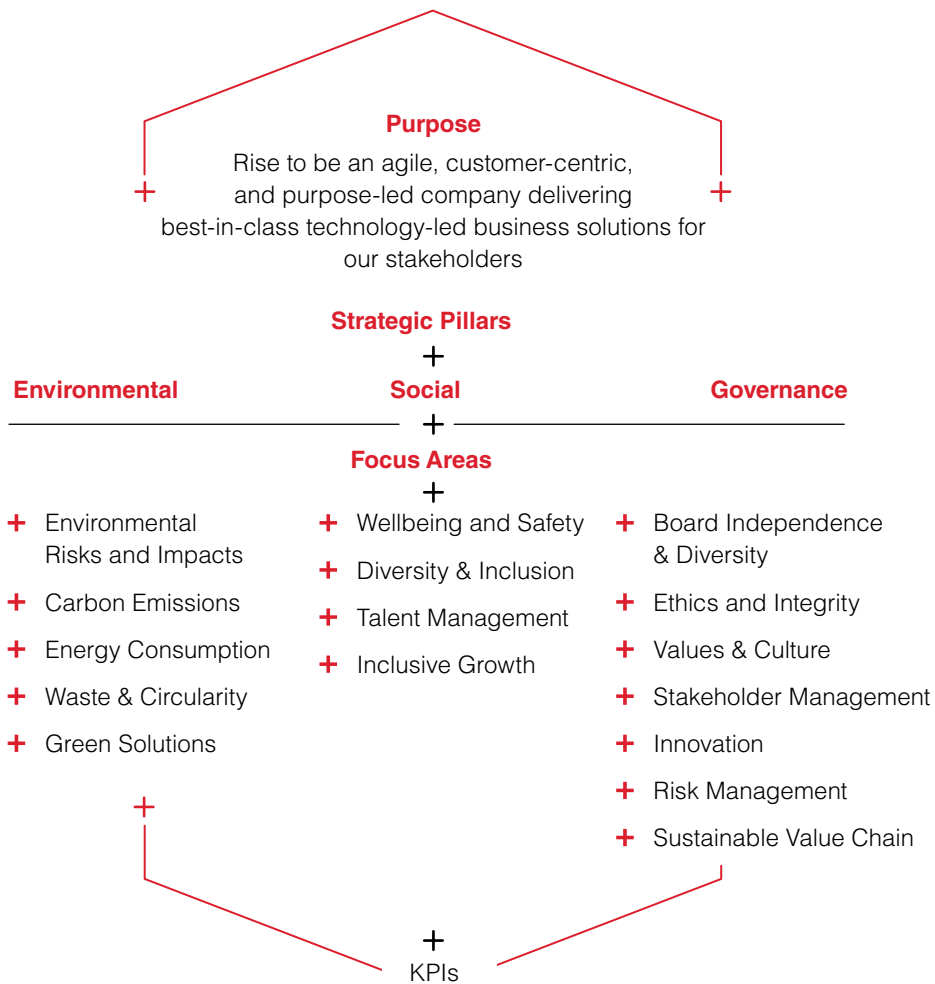


# ESG Governance Framework

Our ESG framework forms the basis of our value creation process and spans our global business operations. ESG principles built into our long-term growth strategy help mitigate risks and drive profitable growth by investing in sustainable innovations that positively impact the world. We are pursuing plans that will have long-term impacts on the planet and communities, leading to a balance between sustainability and overall business profitability.

The implementation of the Environmental and Social Pillars is enabled through our Innovation Framework. Our principles of ethical business conduct and

accountability are strengthened by our commitment to environmental stewardship and shared value creation. Environmental and social responsibility is a key part of our governance practices that empowers us to create the 'NXT.NOW™'. We endeavour to create long-term value for all our stakeholders by adopting the precautionary principle of moving towards environmental protection. We are establishing responsible business partnerships and leveraging technology to deliver solutions with a purpose. We embrace diversity, equality, safety and well-being for our associates, the local communities, and the value chain.



## Guiding Principles

- + Regulatory Compliance
- + Materiality Assessment and continuous improvement plans with a defined roadmap, and goals and targets.
- + Building collective ESG awareness amongst employees, supply chain, customers, investors, and society
- + Making Sustainability Personal (MSP)
- + Policy advocacy to drive positive change
- + Integrating Sustainability with business strategy

TechM has a robust governance structure for ESG which is complemented by guidance from the Board with a balance of diversity, skills and experience. The Board provides a wide variety of perspectives and knowledge that guides Tech Mahindra's current and future strategic direction. The Board composition has a healthy diversity across gender (ratio of 7:3, with 3 women), age (two directors below 50), tenure (average tenure of 8.2 years) and nationality (20% other nationalities besides Indian) and independence (1 executive, 3 Non-executive and 6 Independent Directors).

## Focused Actions and Priorities

Environmental	Social	Governance
+ Optimising fuel energy use to reduce GHG emissions	+ Ensuring a safe and motivating work environment for associates	+ Effecting transparency and accountability
+ Enabling circular economy	+ Fostering a Climate of Social Responsibility	+ De-risking and mitigating climate risk
+ Practicing water stewardship	+ Encouraging corporate volunteering	+ Co-creating sustainable business value for all stakeholders
		+ Enabling stakeholders to meet their ESG commitments

## Policy Framework

Tech Mahindra encourages the participation of the relevant stakeholders in managing ESG through a well-developed policy framework that has been implemented and communicated while also being monitored and reviewed periodically.

These are augmented with a variety of internal policies and procedures. Please refer to our policies on <https://www.techmahindra.com/en-in/investors/corporate-governance/> <https://www.techmahindra.com/en-in/sustainability/>

Environmental	Social	Governance
+ Environment Policy	+ Equal Opportunity, Diversity & Inclusion Policy	+ CEBC Policy
+ Climate Change Policy	+ HSE Policy	+ Business Responsibility and Sustainability Policy
+ Water Management Policy	+ Human Rights Policy	+ Anti-Corruption and Bribery Policy
+ Biodiversity Policy	+ POSH Policy	+ Sustainability Policy
+ Waste Management Policy	+ Whistleblower Policy	+ SSCM Supplier Code of Conduct
+ Green Procurement Policy	+ CSR Policy	

## Policy Advocacy and Voluntary Memberships - Disclosure 102-13: Membership of Associations

We participate in and support public policy formulation for societal welfare. We engage and collaborate with the Government directly as well as through Industry Associations and International Multilateral Bodies like the WEF and UNGC. We maintain membership with Industry Associations including CII, GSMA, Telecommunications Standards Development, and some local and regional Industry Associations. The purpose of engagement and public policy participation is to share and disseminate knowledge and best practices and co-create technology-enabled solutions

for society. In addition, we participate in various global summits and conferences on Climate Action.

A total membership fee of ₹ 6.69 Crore was paid to various industry and trade associations that represent our interests at government levels and help address issues with policymakers.

The highest fees is paid to NASSCOM (National Association of Software and Service Companies) and GSM Association (Global System for Mobile Communications) ₹ 70.8 Lakh and ₹ 131 Lakh respectively.

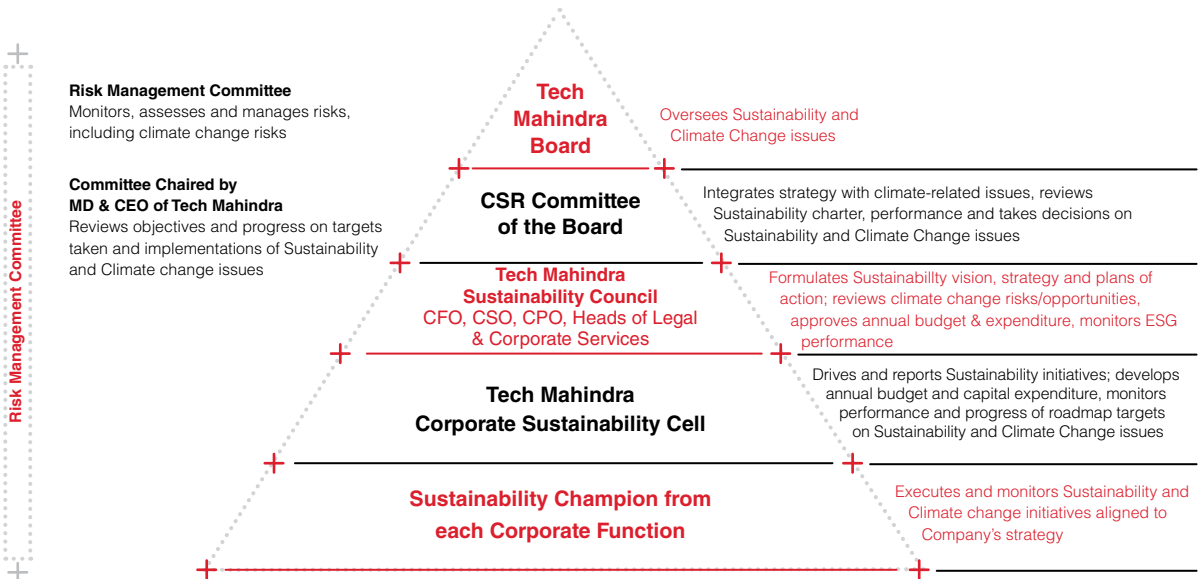
# Governance Structure

The Board of Directors has oversight of the Company's overall strategy and future direction. The Board's recommendations are based on the Company's purpose and core values while inputs from stakeholders are leveraged for driving the future direction of our business.

Our ESG Governance reflects our values and commitments. It encompasses our culture, policies, and relationships with our stakeholders. Tech Mahindra's undeterred focus on good corporate governance is strengthened by our commitment to reduce emissions and take actions to minimise its impact on the environment and climate. The Board assumes responsibility for Tech Mahindra's

long-term sustainability, strategy and performance. The Board members have the requisite competence and knowledge of ESG, Sustainability and Climate-related issues. Through the Familiarisation Programme for the Independent Directors and the quarterly presentation and reporting on pertinent ESG topics, the Board of Directors remains abreast of the evolving impacts of Sustainability on the Company's prospects, mitigation measures, action plans, and implementation strategies and performance.

The Sustainability and ESG agenda is driven across the organisation through the Board's CSR and Risk Management Committees.



The Risk Management Committee is responsible for monitoring, assessing, and reviewing enterprise-level strategic business and people risks as well as ESG, and sustainability risks each quarter. The committee also reviews the effectiveness of the Risk Management Process for economic, environmental, and social topics.

Climate-related financial risks	Cyber Security and Data Security Risks
Climate-related risks such as business disruption, changing regulations, and acute physical and transition risks are reviewed in alignment with the TCFD recommendations and are also reported to the Risk Committee. Strategic integration of climate-related risks with business is performed by the CSR committee.	Mr. Manoj Bhat, the Mahindra Group's Chief Financial Officer (and a member of the TechM Board) provides oversight to the cyber security strategy of Tech Mahindra. Sudhir Nair, the Chief Delivery Officer (CDO) at Tech Mahindra is accountable for cyber security at TechM and gives quarterly updates to Manoj Bhat and the Risk Management Committee.

The CSR Committee is the apex body responsible for review, oversight and decision-making on the CSR, Sustainability and ESG agenda across the Company. The committee reviews and guides sustainability and climate strategy, major plans of action, risk management policies, and budget plans as well as monitors the sustainability performance of the Company.

Mr. C.P. Gurnani, the Managing Director & CEO, is the chair of the CSR Committee and is responsible for the integration of sustainability and climate risks and opportunities into the overall corporate strategy. He reviews the performance, progress and implementation of Sustainability policies and initiatives and briefs the Committee on Sustainability and climate-related agenda, issues, and performance of the Company. In coordination with the Sustainability

Council, he reviews the inclusion and disclosure of all material topics in the report.

Tech Mahindra Sustainability Council includes the CFO, CPO, CSO, and Heads of Legal and Corporate Services. They formulate the Sustainability vision, strategy, and plan of action in alignment with the Sustainability Charter and Roadmap of the Company. They review progress on the Company's sustainability and climate change agenda each quarter and approve the annual budget and expenditure. They ensure that we remain configured to the sustainability charter and comply with applicable regulations, voluntary standards and norms and performance in relevant aspects of sustainability. They are the decision-makers who can influence the permeation of our sustainability agenda within the organisation.

### Composition of the Tech Mahindra Sustainability Council

Department And Designation	Name
Chief Financial Officer (CFO)	Mr. Milind Kulkarni
Chief People Officer (CPO)	Mr. Harshvendra Soin
Chief Sustainability Officer (CSO)	Mr. Sandeep Chandna
Heads of Corporate Services	Mr. Shivanand Raja** Mr. CVN Varma
Head of Infrastructure Management	Mr. Subrahmanyam Kuna
General Counsel	Mr. Vineet Vij

\*\*Mr. Shivanand Raja retired in May 2021

Mr. Sandeep Chandna, the Chief Sustainability Officer (CSO), is responsible for the overall implementation of the sustainability and climate change strategy and initiatives and also for developing budgets and plans for sustainability and climate change. He reports to the Managing Director & CEO and communicates the Sustainability agenda to every function in the organisation. He is ably supported by his team of Sustainability Managers and Sustainability Champions for implementation across the Company. The CSO also helps in climate-related risk management, considering external factors besides benchmarking with industry/peer best practices and sustainability indices. The CSO is also the Chief Customer Officer who has oversight of customers' and investors' inclination toward Sustainability.

Each location of operations has Sustainability Champions from different departments who are responsible for implementation, monitoring, and environmental compliance of the sustainability agenda at the location and facility. The implementation of the organisation-wide sustainability initiatives and campaigns are given wings by the Green Marshals – our sustainability and environment enthusiasts. The environmental reporting data is monitored by the Sustainability Champions every month and reviewed by the Corporate Sustainability cell each quarter and by the Sustainability Council every six months. The Corporate Services and the Human Resources Department coordinate with the Sustainability Council to integrate sustainability with business. Sustainability Champions from across corporate functions help to execute the policies and initiatives including sustainability and climate-related issues which are aligned to the Company's strategy.



The Corporate Sustainability Cell (CSC) is responsible for driving sustainability initiatives, and the preparation and publishing of the Sustainability and Climate risks report externally. It also reviews and conducts scenario analyses to identify climate-related risks and opportunities based on the TCFD recommendations. The CSC develops an annual sustainability budget, determines capital expenditures, and plans initiatives considering the Carbon Price mechanism. They also draft the Sustainability Roadmap in consultation with various departments and track the annual performance and progress against the targets. Monitoring the sustainability data shared by Sustainability Champions and promoting sustainability in the supply chain also falls within the purview of the Corporate Sustainability Cell.

Climate Change and ESG performance are aligned to the Balanced Score Cards of the CEO & MD and Senior Leaders of Tech Mahindra. The performance of Senior Management is also linked to material sustainability topics for the Company.

### Ethics and Integrity

Ethical business conduct is one of the most valuable assets of a Company. It determines a Company's future and is essential to conducting business responsibly. Ethical conduct of business is an essential market differentiator that safeguards our stakeholders and our financial performance.

The Board of Directors of Tech Mahindra has adopted the Code of Ethical Business Conduct and adheres to the standards of loyalty, honesty, integrity, and avoidance of conflict of interest. The Board of Directors, Senior Management, Associates (permanent and on contract) and all external stakeholders are required to strictly adhere to the Code of Ethical Business Conduct. (<https://insights.techmahindra.com/investors/Code-Of-Ethical-Business-Conduct.pdf>).

### Collective Knowledge of the Board (GRI 102-27)

The Board ensures that the skills, expertise, and competencies required for the effective functioning of the Company are present with the Board of Directors. The collective knowledge of the Board on economic, environmental and social topics is developed through the Familiarisation Programme for Independent Directors. Our Board members have executive and Board committee responsibilities which require building competence in aspects related to

sustainability and climate change. This also includes amongst others, strategic and functional leadership inputs on specific business opportunities for addressing and responding to climate change.

For example, our CEO Mr. CP Gurnani chairs the TechM CSR Committee which drives the sustainability, ESG and climate change agendas for TechM. He is also a member of the Investment Committee along with Dr. Anish Shah which guides our climate change-related investments among others. Dr. Anish Shah is also a member of the TechM Risk Committee besides the Mahindra and Mahindra Risk Committee which reviews climate-related risks as part of their ERM exercise. He is also part of the CSR committee of Mahindra & Mahindra which guides sustainability and climate change strategies for M&M. Additionally, they actively advocate strategic approaches to address climate change impacts at the industry level including lowering costs for green initiatives and technological developments. Additionally, both are active speakers and participants in various climate change forums including WEF, Bloomberg, etc., where some of the recent topical aspects have included EVs, government economic incentives, renewable energy etc.

The MD & CEO along with Senior Leadership conduct quarterly update sessions with the Board about the Company's business strategy, operations and key trends in the IT industry which are relevant to the Company. Board members are regularly updated on changes in corporate and allied laws, taxation laws and related matters through presentations and updates made by the respective functional leaders. In addition, the Chief Sustainability Officer periodically provides sensitisation and awareness sessions for the Board on issues related to climate change impacts and sustainability. These interventions are conducted to assess and identify gaps, which are then addressed as appropriate through training from internal and external experts.

### Remuneration Policies and Approach

The Nomination and Remuneration Committee determines the criteria for determining qualifications, positive attributes and independence of a director and recommends to the Board a policy relating to the remuneration of the directors, key managerial personnel (KMP) and other employees. The performance of the KMP is also linked to the sustainability performance of the Company. Tech

Mahindra's performance in terms of cost optimisation, customer and employee satisfaction, and climate change are linked to the Balanced Scorecard and the variable compensation of the MD & CEO.

The average base salary of the 24 Executive Committee members is ₹ 37.7 Mn. This includes executives which are in India, US and UK and whose salaries in local currencies are converted to INR. They hold Company shares worth around ₹ 22.2 Mn on average i.e. 0.612 times the base salary.

### Anti-competitive Behaviour

#### TC-SI-520a.1: Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations

#### Disclosure 206-1: Legal actions for anti-competitive behaviour, antitrust, and monopoly practices

Tech Mahindra did not incur any fines or settlements in the last five fiscal years and has not been investigated for any antitrust/anti-competitive practices.

#### Disclosure 419-1: Non-compliance with laws and regulations in the social and economic area

Tech Mahindra strictly adheres to and complies with all employment-related laws, including working hours, wages, welfare, and human rights. All associate-related policies of Tech Mahindra are transparent and available for viewing to all our associates. We continually update and amend our policies to align them with global best practices and changes in relevant laws. There was no non-compliance with any laws and regulations in the social and economic areas in the reporting year.



# Stakeholder Relationships

Stakeholders are those individuals, groups of individuals, or organisations that affect and/or could be affected by our activities, solutions, or services and associated performance. We follow a robust process for the identification and prioritisation of our stakeholders. We recognise the importance of trust-based relationships and ensure transparent, timely and relevant engagement and communication with all the stakeholders. This also helps us understand their explicit and tacit needs that inform our strategy and operational decisions.

## Board Review of Stakeholder Concerns

### Engagement Process



Periodic discussion of the Board and its committees with the management helps us identify critical stakeholder concerns and align our priorities with their expectations. The Company engages with the stakeholders around the year, to maintain healthy, trust-based relationships with them. The management team connects with a diverse range of stakeholders through formal and informal mechanisms. The Stakeholder Relationship Committee of the Board provides guidance and oversees the mechanism for addressing grievances and complaints from stakeholders and aligning Stakeholder priorities with TechM's business strategy. The committee reviews associate, vendor, and customer satisfaction survey reports, and oversees the mechanism for addressing stakeholder grievances. The committee also reviews the environmental, health and safety obligations of the Company towards the stakeholders. The inputs we receive, influence the creation of appropriate policies and practices that govern responsible business.

## Engagement Mechanism

Stakeholders	Why we engage	What matters to them	How we engage
<b>Employees (HC)</b>	Being the Brand ambassadors of the Company, employees enable growth and drive our values, culture, and brand philosophy. We engage with them on their safety and wellbeing, communicate information, and receive feedback from them. It helps enable purpose and a connected workforce.	<ul style="list-style-type: none"> <li>+ Employee Engagement, Safety &amp; Wellbeing</li> <li>+ Talent &amp; Skill Management</li> <li>+ Diversity &amp; Inclusion</li> </ul>	<ul style="list-style-type: none"> <li>+ TechM Cares Survey<sup>1</sup></li> <li>+ Employee engagement initiatives (Leadership Connect, HR Flip Books, UVO 2 Chabot, Internal Portal)<sup>4,5</sup></li> <li>+ Josh, MSP, and ISS<sup>5</sup></li> </ul>
<b>Customers (HC)</b>	Helps ensure customer satisfaction, win client referrals, and co-create solutions to address their current and future needs. It enables us to capture the industry pulse and future landscape to align our strategy accordingly.	<ul style="list-style-type: none"> <li>+ Innovation</li> <li>+ Cyber Security &amp; Data Privacy</li> <li>+ Supply Chain Management</li> <li>+ Ethics &amp; Compliance</li> </ul>	<ul style="list-style-type: none"> <li>+ Customer Leadership Meet<sup>1</sup></li> <li>+ Customer as Promoter Survey<sup>1</sup></li> <li>+ Project Satisfaction Survey<sup>2</sup></li> <li>+ Account Escalation Dashboard, and Account Status Indicator<sup>4,5</sup></li> </ul>

Stakeholders	Why we engage	What matters to them	How we engage
<b>Investors &amp; Shareholders (FC)</b>	Our current and future investors and shareholders are a part of the extended Tech Mahindra family. We provide accurate, detailed, timely and transparent information to them on the financial, and ESG performance and the future orientation of the organisation.	<ul style="list-style-type: none"> <li>+ Ethics &amp; Compliance</li> <li>+ Corporate Governance</li> <li>+ Innovation</li> <li>+ Diversity &amp; Inclusion</li> <li>+ Economic Performance</li> </ul>	<ul style="list-style-type: none"> <li>+ Analyst Meets &amp; Analyst Briefings<sup>1,3</sup></li> <li>+ Quarterly Results<sup>3</sup></li> <li>+ Annual General Meetings<sup>1</sup></li> <li>+ Integrated Annual Report<sup>1</sup></li> <li>+ Financial Results<sup>1,3</sup></li> <li>+ Press Releases, Social Media<sup>4,5</sup></li> </ul>
<b>Partners and Collaborators (IC &amp; SRC)</b>	These constitute the alliance ecosystem that helps us deliver customised and end-to-end solutions to customers; accelerate the adoption of our strategy; and develop new solutions and platforms through collaboration, co-innovation, and co-creation. We rely on our recruitment partners to source the right talent.	<ul style="list-style-type: none"> <li>+ Climate Impact</li> <li>+ Innovation</li> <li>+ Energy &amp; Emissions Management</li> </ul>	<ul style="list-style-type: none"> <li>+ Partners Meet<sup>1</sup></li> <li>+ Training, Conferences, Workshops &amp; Surveys<sup>4,5</sup></li> </ul>
<b>Government &amp; Regulators (SRC)</b>	We hold dialogue with government and policymakers to formulate public policy and support long-term value creation for the local communities and society. We engage with statutory/regulatory bodies like the stock exchange, tax departments, SEBI, and Pollution Control Boards to ensure compliance with applicable and emerging regulations.	<ul style="list-style-type: none"> <li>+ Ethics &amp; Compliance</li> <li>+ Corporate Citizenship</li> <li>+ Climate Change</li> </ul>	<ul style="list-style-type: none"> <li>+ Public Policy Engagement<sup>5</sup></li> <li>+ Compliance Reports<sup>6</sup></li> </ul>
<b>Academic Institutions (HC &amp; IC)</b>	Engagement with universities and leading technical institutes helps identify synergies for collaboration, build employee capabilities, and hire talent. It also enables R&D and new product development.	<ul style="list-style-type: none"> <li>+ Employee Engagement, Wellbeing &amp; Safety</li> <li>+ Talent &amp; Skill Management</li> <li>+ Innovation</li> </ul>	<ul style="list-style-type: none"> <li>+ Recruitment Drives &amp; Campus Connect<sup>1</sup></li> <li>+ University Collaborations &amp; MoUs<sup>4,5</sup></li> </ul>
<b>Local Communities (SRC)</b>	Active engagement allows us to identify community needs and measure the impact and outcomes of our CSR interventions.  Engagements at the grassroot level have enabled us to forge long-lasting relationships with society in the areas we operate.	<ul style="list-style-type: none"> <li>+ Corporate Citizenship</li> <li>+ Diversity &amp; Inclusion</li> <li>+ Economic Performance</li> </ul>	<ul style="list-style-type: none"> <li>+ "Samvad" Newsletter<sup>3</sup> to establish a dialogue with CSR fraternity</li> <li>+ Impact assessments<sup>5</sup></li> <li>+ City authorities to implement the CSR initiatives<sup>4,5</sup></li> </ul>

Stakeholders	Why we engage	What matters to them	How we engage
<b>Suppliers and Vendors (SRC)</b>	We engage with suppliers and vendors on sustainability, quality, and delivery to promote ethical and sustainable business practices and promote sound environmental management. The supplier survey helps us understand their alignment with the Tech Mahindra supplier policies and principles.	<ul style="list-style-type: none"> <li>+ Supply Change Management</li> <li>+ Energy &amp; Emissions Management</li> <li>+ Climate Change</li> </ul>	<ul style="list-style-type: none"> <li>+ Supplier Meet<sup>1</sup></li> <li>+ Supplier Audits<sup>1</sup></li> <li>+ Workshops<sup>5</sup></li> <li>+ ESG Trainings<sup>5</sup></li> </ul>
<b>Value Creation</b>			<b>Frequency</b>
HC- Human Capital FC - Financial Capital IC - Intellectual Capital NC - Natural Capital SRC - Social & Relationship Capital			<sup>1</sup> - Annual <sup>2</sup> - Bi-annual <sup>3</sup> - Quarterly <sup>4</sup> - Need-Based <sup>5</sup> - Targeted <sup>6</sup> - Regulatory Compliance-based

**Aligning with Stakeholder Needs**

Structured and informal feedback received from the key stakeholders is incorporated into decision-making and corporate strategy.

- + **Employees:** Some of the Employee Initiatives taken at TechM based on associate feedback include Chrysalis – a Leadership Assessment Centre, ASCEND & TRANSCEND – to groom aspiring associates into stretch leadership roles and our Women Leadership Programs. Others include the launch of Career Acceleration, Sabbatical as well as Bereavement Support Policies. Read more <[Human Capital Chapter](#)>
- + **Customers:** As a customer-centric company, TechM understands its customers’ needs and developed customised, scalable, and innovative solutions using technology to help manage customer pain points. To respond to the emerging customer need for ESG and sustainability disclosures and

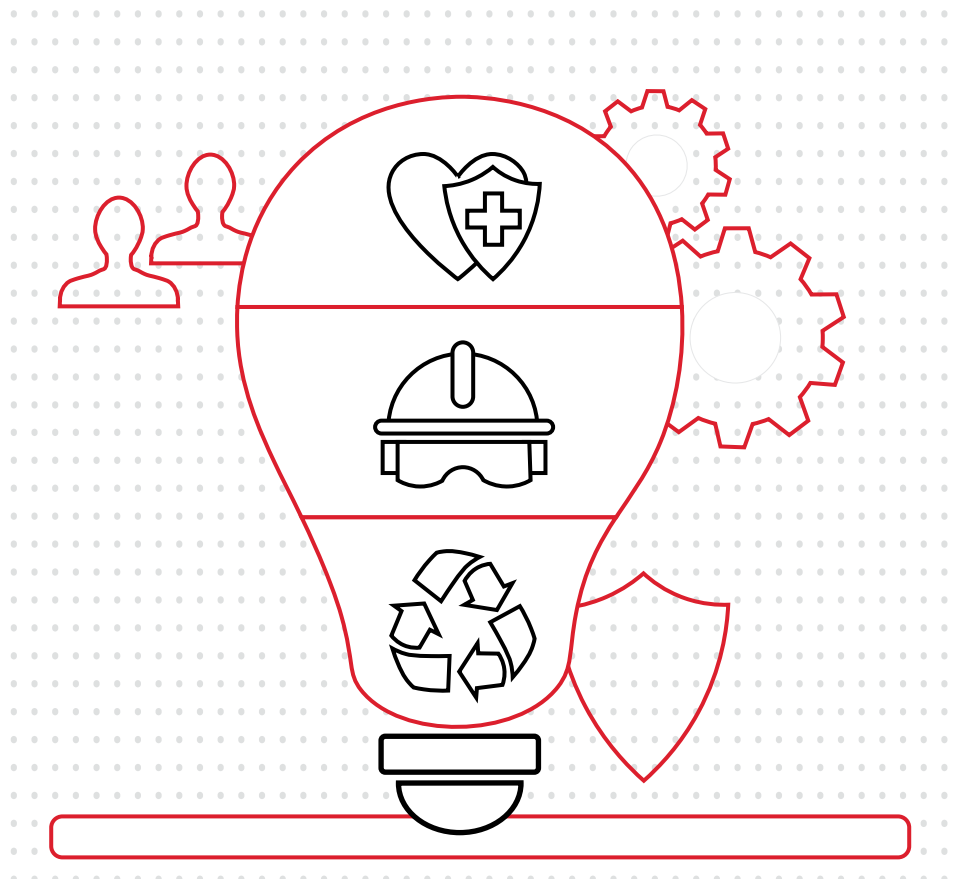
transitioning to a low carbon economy, Tech Mahindra is developing a customised suite of [Green Solutions](#).

- + **Local Communities (NGO):** The Corporate Citizenship strategy and agenda were reoriented to meet the emerging needs of the communities and the society at large. To protect children from the risk of cybercrimes amid the pandemic, TMF raised awareness sessions on child safety and digital literacy for over 24,000 children. Similarly, 2,299 sanitation workers, Anganwadi workers and social workers – categories susceptible to COVID were trained in good practices. Read more <[Corporate Citizenship Chapter](#)>

# Materiality Assessment

**Materiality Assessment helps us to identify and prioritise the most pertinent priorities, challenges, and opportunities for the company. It helps us define issues that are essential to achieving the Company's strategic priorities, strengthening our business model, and managing its impact on business, society, and the planet. In addition, new regulations and directives and increasing non-financial disclosure requirements such as Business Responsibility Sustainability Reporting (BRSR), are leading companies to think about what matters most to the Business and stakeholders. We actively engage with our stakeholders to prioritise the key issues for businesses and to help define our strategy of imagining the future today. Our people and their performance are supported by robust processes and aligned with '#NewAgeDELIVERY' operations and product portfolio for our customers.**

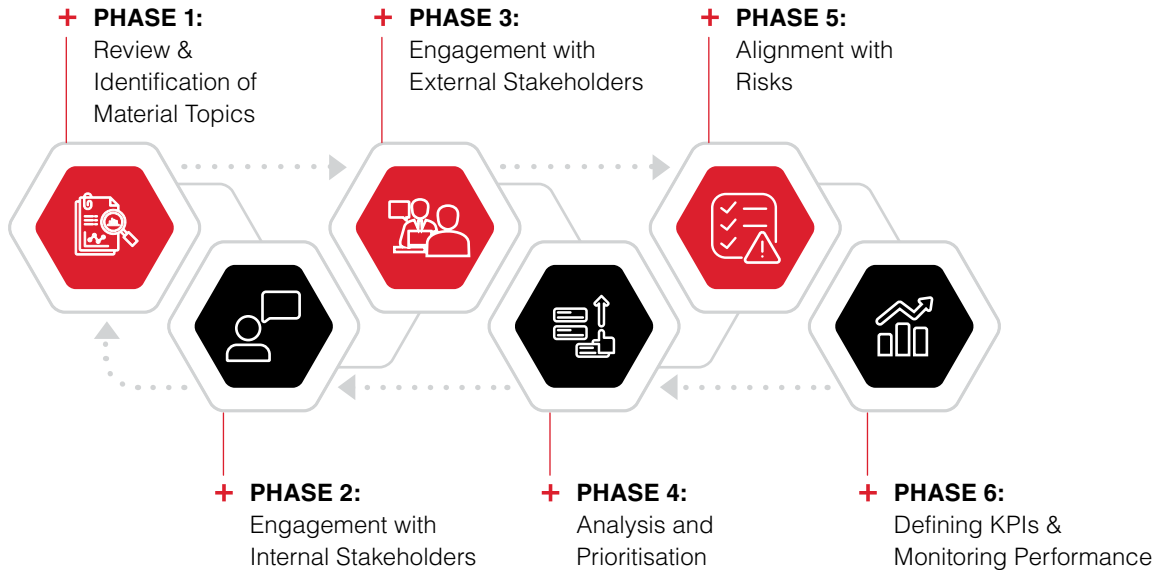
Annual Materiality assessment is carried out to identify financial and extra-financial impacts, risks and opportunities based on which we determine the Key Performance Indicators (KPIs) for monitoring our performance. It helped us list those issues that are truly critical to achieving the Company's strategic priorities, strengthening its business model and managing its impact on society and the planet.



**Materiality Assessment Process**

Our established materiality assessment process is based on the GRI Standards, IIRC, SASB, and TCFD recommendations. It aligns with the core value of ‘doing good’ makes business sense. We consider both internal and external factors to prioritise the material issues. Internal factors

include Leadership change, strategy and the Business model while external factors include economic conditions, pandemic situations, natural disasters, resource availability and customer and partner needs and expectations.



<p><b>Review &amp; Identification of Material Topics</b></p>	<p><b>Engagement with Internal Stakeholders</b></p>	<p><b>Engagement with External Stakeholders</b></p>
<ul style="list-style-type: none"> <li>+ Developing a laundry list using GRI Standards and SASB Standards</li> <li>+ Shortlisting of topics based on likely impact on the Company</li> </ul>	<ul style="list-style-type: none"> <li>+ Questionnaire-based interactions with representatives from Innovation, Corporate Services, Customer Centricity, Risk, Finance, Human Resources, and Governance departments</li> <li>+ Rating of each topic on a scale of 1 to 5 by the department heads</li> </ul>	<ul style="list-style-type: none"> <li>+ Questionnaire-based interactions with customers, investors, NGOs (TMF), partners and collaborators, academic institutions, and suppliers &amp; vendors</li> <li>+ Rating on a scale of 1-5</li> <li>+ Indirect feedback from other stakeholders</li> <li>+ Inputs from ongoing interactions with stakeholder groups were also considered</li> </ul>
<p><b>Analysis and Prioritisation</b></p>	<p><b>Alignment with Risks</b></p>	<p><b>Defining KPIs &amp; Monitoring Performance</b></p>
<ul style="list-style-type: none"> <li>+ Analysis of inputs received</li> <li>+ Benchmarking with competitors and peers</li> <li>+ Alignment with Global Mega-trends and Risks</li> </ul>	<ul style="list-style-type: none"> <li>+ Review of material topics from a risk perspective</li> <li>+ Scenario Planning (Climate)</li> <li>+ Evaluation of likelihood and impact</li> <li>+ Linkage with the risk register</li> </ul>	<ul style="list-style-type: none"> <li>+ Defining KPIs to monitor performance</li> <li>+ Linking with the Balanced Score Card of the key departments and employees</li> </ul>

As a part of the Materiality Assessment process, we consider the following:

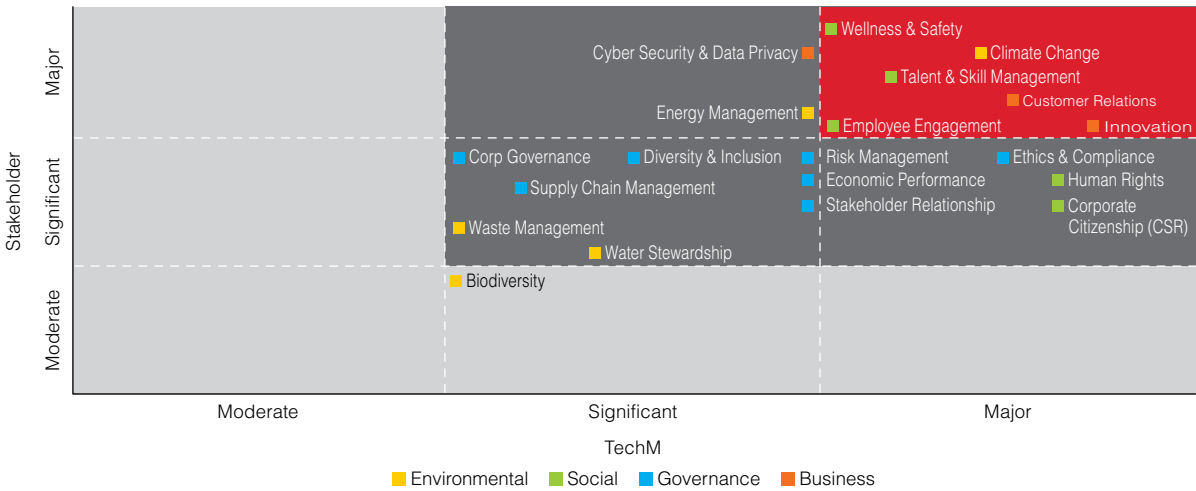
- + Stakeholder groups, their requirements, expectations, and the impact of these expectations on our strategy, performance, and governance
- + Current and future regulations that may impact our financial planning
- + Significant risks that could impact our operations, outcomes, and customer relationships. The material topics are then checked against financial

and non-financial risks that may provide opportunities

- + Matters related to value creation for our products and service offerings, customer solutions, and operations
- + Our commitments, values, policies, goals, and targets and the previous year's performance
- + Our reputation and brand perception are reviewed against that of peer companies through a review of external media coverage and peer benchmarking

The key material issues listed have been rated according to inputs from stakeholders and the Company showcasing the matrix below distributed into the pillars of Environmental, Social, Governance and Business. They are mapped against the SDG that we work towards having a positive impact against these pillars.

**Materiality Matrix**



**Management Approach**

Our management approach explains how we manage the economic, environmental, social, and impacts related to key material topics. It provides narrative information about how we identify, prioritise, analyse and respond to actual and potential impacts.

These material topics are discussed in the Board Meetings. The audit committee along with Chief Internal Auditor oversees the Company's process while reviewing the management performance and adequacy of the internal processes. The management approach of our organisation is evaluated by the Chief Internal Auditor through internal processes like risk assessment studies, audits, self-assessments, performance monitoring & review. The result of the assessment is shared with the Audit Committee, which then decides on any modification or any kind of approval to the management process. Key inputs considered in the prioritisation of material topics are those of key stakeholders and the Company

expressed through discussions in management meetings. The KPIs are mapped to the Balanced Scorecard of leaders from respective departments and processes. The KPIs are linked to the strategic planning process and long-term incentive programs. 100+ of our Customers assess our ESG performance through various indices rating organisations like CDP, ECOVADIS etc. and perform checks through independent third-party audits.

The relevance of material topics along with the boundary of impact, and strategy to manage these impacts are explained below. We have completed our Strategic sustainability 5-year roadmap for FY 2015-16 to FY 2020-21. We are happy to report that we were able to meet all the targets in the roadmap and surpass some of them. In alignment with the Materiality Matrix for 2021-22, we have developed our new 5-year ESG Roadmap from FY 2021-22 to FY 2022-26.





**People**

Employee Engagement, Well-being & Safety; Talent Management; Diversity & Inclusion, Human Rights, and Corporate Citizenship are the key People imperatives.

<b>Material Topic</b>	<b>Risk</b>	<b>Our approach</b>	<b>Boundary</b>	<b>How we measure Impact (KPIs)</b>
<b>Employee Engagement</b>	+ Human Capital Risk	<p>Active and ongoing employee engagement helps us have effective strategies in place, helps create better work culture, reduces staff turnover, increase productivity, builds better customer relationships, and impacts company profit. We engage with our employees through programs that enable interaction between employees and peers, employees and performance managers, and employees and leadership.</p> <p>Losing trained talent to Attrition is a financial and non-financial burden for the Company because recruiting and training new hires is costly. To reduce attrition, we have a robust system in place. This includes employee engagement and satisfaction, employee re-skilling and utilisation, and incorporating wellness into their lives are critical for talent retention.</p>	TechM Global	+ TechM Cares Survey + TC-SI-330a.2.
<b>Well-being &amp; Safety</b>	+ Human Capital Risk	<p>"Wellness before Business" is our Mantra. A healthy workforce is a productive workforce. Establishing a culture of wellness among our employees helps decrease job turnover, increase job satisfaction, manage stress, and reduce absenteeism. The management engages with the employees on their overall wellness.</p>	TechM Global	+ GRI 401-1, 401-2, 401-3, 401-4, 401-5, 401-6, 401-7, 401-8, 401-9, 401-10
<b>Talent &amp; Skill Management</b>	+ Human Capital Risk	<p>The primary focus of talent and skill management is to create a motivated workforce that will contribute to higher levels of business performance. We rely on the right talent for servicing customer needs, business sustainability, and future growth. Financial and tacit resources are invested in hiring talent and right-skilling them.</p> <p>Employee re-skilling helps us keep pace with the dynamic change in demand for new technology and sustain our growing business. It creates a workforce that is flexible, agile, and ready to learn and can take on new tasks where business needs support. We have three functional initiatives to ensure re-skilling - Future Skilling of Employees, Up-skilling of Employees, and Developing Self-Learning Culture.</p>	TechM Global	+ GRI 404-1, 404-2, 404-3

Material Topic	Risk	Our approach	Boundary	How we measure Impact (KPIs)
Diversity & Inclusion	+ Human Capital Risk	We are an 'intentionally diverse and globally inclusive organisation and this has helped us earn deeper trust and more commitment from our employees. We capitalise on our diversity by finding innovative solutions to new business challenges and providing products and services that meet customer needs.	TechM Global	+ GRI 405-1, 405-2 + TC-SI-33
Human Rights	+ Human Capital Risk	Human rights are important to a business because shareholders, investors, and governments expect companies to respond to human rights. Compliance with national and international laws ensures that business operations are consistent with the legal principles. This helps companies avoid legal challenges to their global operations.	TechM Global	+ GRI 412-1, 412-2, 412-3
Corporate Citizenship (CSR)		We are committed to giving back to society by creating a positive impact and value for the communities in the areas of our operations. We are committed to creating an equitable and inclusive society to support sustainable social integration and transformation.	TechM Global	+ GRI 203-2 + GRI 413-1

### ESG Roadmap 2022-26 – People Imperatives

ASPECT	BASE YEAR 2020-21	2021-22	TARGET YEAR 2025-26
Total Women Employees %	31.75	34.09	37
Women in Senior Management %	8.08	9.28	12
% of PwDs	0.25	0.17	0.75
IT Attrition Rate %	13.3	23.5	16.5
Skilled associates %	71	74.1	88
Associate Engagement Score (IT+BPS)	4.04	4.58	4.15
HR assessments	1	3	13
% of employees recognised	39	40.4	45
TMF SMART Centres	76	86	120
TMF SMART Academies	7	8	15
TMF Education Projects	24	15	15
TMF Disability Projects	35	42	50
TMF beneficiaries (Direct & Indirect) per year in lakh	0.38 (Direct)* 3.16 (Indirect)	0.41 (Direct) 3.74 (Indirect)	0.5 (Direct) 5.00 (Indirect)
Volunteering hours per year	14,080	31,884	180,000

\* We touched an additional 19 lakh beneficiaries last year through our focused COVID relief programmes.



**Business**

Innovation, Cyber Security, Data Security, Data Privacy, and Customer Relationships are integral Business imperatives.

Material Topic	Risk	Our approach	Boundary	How we measure Impact (KPIs)
<b>Innovation</b>	+ Technology Risk	Innovation keeps our business relevant, allows us to add value to our business, stay ahead of the competition and keep up with the customers' needs. We are using innovation to create a sustainable future for our customers and society and across the organisation.  We formalised an organisation-wide 360-degree Innovation Approach, with Makers Lab at the core.	TechM Global	+ Realisation of Innovation opportunities  + Embrace Technology & Innovation
<b>Cyber Security</b>	+ Cyber and Information Security Risk	Cyber Security attacks can severely impact businesses and cause heavy financial loss and damage to reputation. Our centralised organisation-wide Information Security Group manages cybersecurity risks which are reviewed by the Board.  Without being assured of a comprehensive security posture, our customers would not be keen to share information and outsource large projects or sensitive information about their business to us.  Data privacy is important for us to stay competitive, grow our brand and maintain customers. A data breach can lead to serious issues for our customers and the business alike. For this, we use data protection practices to ensure that the customer's data is secure.	TechM Global Customers	+ GRI 418-1  + TC-SI-220a.1., TC-SI-220a.2., TC-SI-220a.3.,  + TC-SI-220a.4., TC-SI-220a.5.  + TC-SI-230a.1., TC-SI-230a.2.
<b>Customer Relationships</b>	+ Market Risk  + Reputation Risk	It is the driving force that propels us towards providing newer, better services, a more enriching experience, and significantly better value for money for our customers. Our solutions, products and offerings, sales, and delivery processes are customer-centric and help them become future-proof.	TechM Global	+ Customer Satisfaction Survey/Ease of Business Survey

**ESG Roadmap 2022-26 – Business Imperatives**

ASPECT	BASE YEAR 2020-21	2021-22	TARGET YEAR 2025-26
Innovation contests and events	57	60	80
Innovation Revenue USD Mn	355	450	700
Ideas incubated	20	25	40
Customers connected	145	150	200
CSAT Index	3.00	4.00	4.45



## Environmental Imperatives

Climate change, energy management, water, waste and circular economy, and biodiversity. The areas of impact for each of the topics are discussed in detail in the Risk and Opportunities Chapter.

Material Topic	Risk	Why they are important for TechM	Boundary	How we measure Impact (KPIs)
<b>Climate Change</b>	<ul style="list-style-type: none"> <li>+ Climate Action Failure</li> <li>+ Chronic Physical Risk due to changing precipitation patterns</li> </ul>	Climate change poses physical and transition risks to our business. It can alter consumer behaviour, disrupt business operations, damage infrastructure, cause disruption to our supply chain, impact the overall wellbeing of our employees, and affect our business strategy. We have a focused strategy to become Net Zero and develop technology-enabled climate-centric solutions for our customers.	TechM Global	<ul style="list-style-type: none"> <li>+ GRI 305-1, 305-2, 305-3, 305-4, 305-5, 305-7</li> <li>+ TC-SI-130a.1.</li> </ul>
<b>Water</b>	<ul style="list-style-type: none"> <li>+ Water Pollution</li> <li>+ Water Stress</li> <li>+ Increased Water Scarcity</li> </ul>	At Tech Mahindra, water is a requisite resource for business, and essential for the health of the employees. To manage the water risk and ensure responsible management of water resources, we have established a robust Water Management Strategy and Plan across all our operations and facilities.	TechM Global	<ul style="list-style-type: none"> <li>+ GRI 303-1, 303-2, 303-3, 303-4, 303-5</li> <li>+ TC-SI-130a.2.</li> </ul>
<b>Energy Management</b>	<ul style="list-style-type: none"> <li>+ Climate Risk – Downstream</li> <li>+ Emerging Regulation Risk (Renewable Energy, Carbon Price)</li> </ul>	Energy efficiency and switching to renewable energy sources, is a priority that reduces carbon emissions, can reduce our operating costs and is aligned with the agenda of moving towards carbon neutrality. We take focused initiatives to reduce our specific and absolute energy consumption.	TechM Global	<ul style="list-style-type: none"> <li>+ GRI 302-1, 302-2, 302-3, 302-4</li> <li>+ TC-SI-130a.3.</li> <li>+ GRI 305-1, 305-2, 305-3, 305-4, 305-5, 305-7</li> <li>+ TC-SI-130a.1.</li> </ul>
<b>Waste</b>	<ul style="list-style-type: none"> <li>+ Environmental protection risk</li> <li>+ Regulatory risks</li> </ul>	Effective management of waste and transitioning toward Zero Waste to the Landfill is a global imperative. Reducing and recycling can save money and reduce the effect on the environment and health at the same time. All waste generated at our activities is reused, repurposed, or recycled through authorised recyclers and vendors in line with the principles of a circular economy.	TechM Global	<ul style="list-style-type: none"> <li>+ GRI 306-1, 306-2, 306-3, 306-4, 306-5</li> </ul>
<b>Biodiversity</b>	<ul style="list-style-type: none"> <li>+ Climate Change risk</li> <li>+ Habitat loss risk</li> <li>+ Environmental protection risk</li> </ul>	There is a heightened need to conserve biodiversity, the species, flora, and fauna. We ensure that we do not adversely impact biodiversity through our operations. Our policy and initiatives enable us to promote biodiversity conservation.	TechM Global	<ul style="list-style-type: none"> <li>+ GRI 304-1, 304-2, 304-3, 304-4</li> </ul>

### ESG Roadmap 2022-26 – Environmental Imperatives

ASPECT	BASE YEAR 2015-16	2021-22	TARGET YEAR 2025-26
Scope 1+2 emission reduction in MTCO <sub>2</sub> e	114,309*	66,847.68*	69,729 (39% reduction)
Renewable energy use %	1.77	22.93%	50
ZWL certified locations	0	1	13 owned facilities
Water withdrawal intensity %	13.73	3.81*	11 (20% decrease)
Paper consumption reduction (tonnes/year)	93.37	9.71*	46.69 (50% reduction)*
Reforestation through tree plantation drives (cumulative trees)	10,000	80,463	200,000

\*Most of our employees are Working from Home. Target taken till FY26 is considering the increase in the number of associates Working from Office in future years which may lead to an increase in figures.

Base year for Environmental indicators is FY16 and start year (when target is set) is FY2021.



**Governance (GRI 102-15)**

Our governance imperatives include Corporate Governance, Stakeholder Relationships, Ethics and Compliance, Risk Management and Supply Chain Management.

Material Topic	Risk	Our approach	Boundary	How we measure Impact (KPIs)
<b>Corporate Governance</b>	+ Reputation Risk + Legal Risk	Strong corporate governance is the key to achieving our long-term mission of aligning our interests with all our stakeholders. It helps us address stakeholder concerns, generate trust, oversee business strategies, and ensure fiscal accountability.	TechM Global	+ CEBC Training
<b>Stakeholder Relationships</b>	+ Reputation Risk + Legal Risk	Trust-based relationships with all stakeholders are an enabler of success. The inputs they provide help in creating appropriate policies and practices that govern responsible business operations. We engage with the stakeholders around the year, in a variety of ways to reinforce trust and cement our relationships with them.		+ GRI 102-21
<b>Ethics &amp; Compliance</b>	+ Compliance & Regulatory Risk + Legal Risk + Reputation Risk	Ethics, transparency, and accountability are the core values of governance. They facilitate operating with integrity, cater to business longevity, sustainable employment, and increase profitability. Compliance with the laws of the countries and geographies in which we operate is a business imperative that protects the Company.	TechM Global	+ GRI 102-16, 102-17 + GRI 206-1 + GRI 307-1 + GRI 419-1
<b>Risk Management</b>	+ Legal Risk + Reputation Risk	Maintaining our position of competitive dominance in this dynamic demand and supply-side environment necessitates that our business is resilient to handle shocks. Management of this is enabled through a robust enterprise risk management process that evaluates and addresses both financial and non-financial risks. We are increasingly exposed to ESG risks, which if not addressed could result in loss of revenue, lower customer loyalty, litigation, fines, sanctions by regulators, and a decline in share prices among others.		+ TCFD Recommendations
<b>Economic Performance</b>	+ Reputation Risk	Creating economic value for the investors and shareholders is an organisational priority. This is ensured through prudent financial management and the information is transparently disclosed as per the requirements laid down by SEBI and MCA.	TechM Global	+ GRI 201-1, 201-2, 201-3 + GRI 207-1, 207-2, 207-3, 207-4
<b>Supply Chain Management</b>	+ Supply Chain Risk	Responsible engagement with the supply chain enables us to ensure sustainable growth and business continuity in line with the Rise Philosophy. We follow a robust empanelment process for our suppliers. We review their performance on quality and sustainability criteria and share structured feedback.	TechM Global	+ GRI 204-1 + GRI 308-1 + GRI 414-1

**ESG Roadmap 2022-26 – Governance Imperatives**

ASPECT	BASE YEAR 2015-16	2021-22	TARGET YEAR 2025-26
Supplier audits (cumulative)	2	137	200
IT suppliers engaged to estimate GHG emissions from products manufactured for TechM	0	6	20

Base year is FY16 and start year (when target is set) is FY2021

## Mahindra Sustainability Framework

Our organisation is driven by purpose and committed to giving back to society. We align our performance with the 3 pillars of the Mahindra Sustainability Framework for long-term value creation. The alignment with material topics of the Mahindra Group sustainability framework allows us to remain consistent with the parent organisation's vision and strategy. The mapping of our Material topics with the Mahindra Sustainability Framework is represented below:



## Risks and Opportunities

**Our view on risk management encompasses identifying and assessing threats to our business, capital, assets (people and material) as well as earnings and incorporating containment and mitigation strategies. We assess risks from a wide spectrum of sources, including financial, legal, strategic management errors, natural disasters as well as forward-looking perspectives including ESG and climate change.**

### Mr. Sudeep Chopra

Chief Risk Officer, Chief Internal Auditor & Corporate Ombudsman

The global economy witnessed an unusually strong economic revival during the first half of FY22 led by strong expressions of pent-up demand. The industry-wide increase in demand for digitisation along with the boom in the start-up industry led to rise in the demand for digital talent. This resulted in unprecedented attrition across the Indian IT sector. TechM managed this risk by adopting suitable measures such as enhancing employee engagement, personalising career growth and targeted incentive plans, amongst others. In the last quarter of the year, we saw improvement in this metric when compared to previous quarters and when compared to competition.

In addition to workforce shortages, economies and organisations continued to confront supply chain disruptions, technological challenges, and the return of inflation. Russia's invasion of Ukraine further compounded the situation with commodity prices and inflation peaking in March 2022. To curtail inflation, Central Banks started to increase interest rates, giving rise to fears of economic slowdown or even possible recession. While there was no direct impact during FY22, the Company is regularly analysing developments within each industry vertical and developments at our customers to ensure appropriate and timely course correction, if any. Alignment with changing customer demands and opportunities arising from this crisis are being closely monitored to learn, innovate, and emerge more resilient from the current global economy and geo-political risks.

The Company maintained focus on cyber security to guard against the risk of cyberattacks, data privacy breach and digital risks. Our cyber security function responded adequately to threats arising during the year FY22 and is among the few to have attained an enterprise-wide SOC 2 Type 2 attestation across 115 locations globally.

TechM continued to refine its mitigation strategies to be resilient to internal and external risks. The Company is constantly planning strategies which enhance existing services, develop new services, products, and competencies - to keep pace with changes in market. We are building business resilience by deploying digital solutions, advanced analytics, redefining processes, strengthen our operational controls and deploy business continuity measures - for greater adaptability, agility, flexibility, and shorter decision-making cycle.

The geo-political crises and the volatile macroeconomic situation has brought risk and resilience to the core of every organisation. With an open and transparent culture of risk management, the Company is moving ahead to integrate resilience into our strategy and culture, further propelling the Company to withstand unpredictability and unprecedented change – to emerge stronger!

Our annual refresh of TechM's materiality matrix underscores the criticality of these aspects both for us and our stakeholders. As part of that endeavour, a strategic and tactical view of the assessment and management of market, people, climate, and operational risks is ingrained in our way of doing business.

Our robust risk management structure, strategy and processes have helped us effectively address potential threats, minimise their impact, and manage business results for us as well as our customers. This ability to understand and control risks translated into policies, procedures and processes across the organisation strengthens our resilience while building the ability and agility to respond decisively.

During the reporting year, there was an enhanced focus on risks at all levels across the organisation, from the Board of Directors and the Risk Management Committee. This percolates to the Management, Business Heads, and the individual departments for risk recognition and rigour in our process implementation. Key risks like data privacy and information security, talent attrition, global economy, statutory compliances, competition, BCP, and geopolitics besides ESG aspects including climate change, were part of the discussion at the Board.

### Approach to Risk Management

Tech Mahindra has a comprehensive framework for risk management with in-built mechanisms for identification, classification and management of financial and non-financial risks. These are analysed thoroughly for the possibility of occurrence over the short, medium and long-term horizons. The risks are appropriately prioritised and reported to the Board, the Leadership Team, and all other relevant stakeholders periodically along with management and appropriate implementation plans. Reporting risks helps us to integrate them into the management decision-making process and ensure business continuity. These evaluations also provide insights on creating opportunities for improvement; internal innovation; and the development of new solutions that can give us a competitive advantage.

We have a well-defined Enterprise Risk Management (ERM) Process which takes an integrated approach. Its scope includes looking at risks and opportunities across geographies and business verticals on multiple parameters based on exposure and tolerance. Our overall approach is enabled for early-stage identification, communication and management at all levels of the business. Our risk mitigation plans include actions like improving operational controls; systemic evolution of business continuity and disaster recovery plans, developing policies and procedures as well as investments in technology. On the people side, we build associate awareness of risks and also on identifying business opportunities that may arise from these risks.

All risks, impacts and strategies are reported to the Board each quarter and are set out in the Management Discussion and Analysis Section of the Annual Report. The Risk Management Committee of the Board of Directors guides the operating management on additional business environment risks, and reviews the probability, impact analyses as well as mitigation strategies and plans. It also periodically assesses the overall Risk Management framework & Enterprise Risk Register which is presented by the Chief Risk Officer. As an ongoing exercise, we continuously identify and assess all potential macroeconomic, business, operational, climate, and governance risks besides others and prepare a mitigation plan for each of the risks. Key Strategy and Business Risks are discussed in detail in the "MD&A section of the Report".

Structurally, our ERM process is driven by the ERM Council, and headed by the Chief Risk Officer. The ERM Council includes the Heads of all Business functions and the Chief Sustainability Officer. We participate in a structured process to deliberate on possible risks and opportunities from a Technology, Economic, Media, Political, Legal, Environmental and Social perspective addressing all business performance and ESG parameters. The Chief Risk Officer (CRO) has the overall responsibility for the assessment of risks and opportunities to Tech Mahindra's business, brand and reputation, and future. He reports to the Risk Management Committee (RMC) of the Board and the CEO of the Company. Mr. Sudip Chopra is our CRO and is also the Chief Internal Auditor, Corporate Ombudsman.



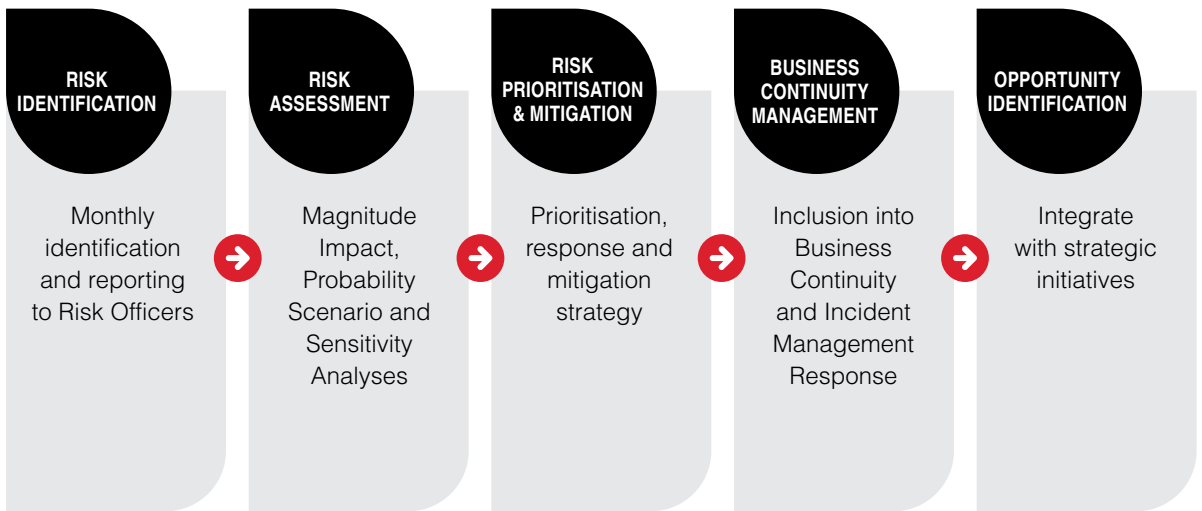
The enterprise risk management team is responsible for providing guidance and for evaluating and reporting the risks to the risk management committee of the board. We have dedicated risk officers focusing on each individual risk areas, and ensuring that risks such as information security, data privacy management, business continuity, disaster recovery and the risks for contractual delivery requirements are regularly tracked. Critical risks are prioritised and reviewed with feedback as well as guidance from the leadership teams. Mitigation strategies and contingency plans are developed and executed by appropriate teams across the business and are monitored by the risk management committee and enterprise risk management team.



**Identification and Assessment of Risks & Opportunities**

A bottom-up approach is taken where the enterprise risk management team receives monthly inputs from designated Risk Officers (RO) across locations, business areas and functions. These inputs typically address risks across economic, legal, compliance, environmental, and social dimensions. Risks are assessed for the magnitude of impact, probability, and the likelihood of occurrence along with SWOT, evaluating historical data and peer benchmarking among other qualitative and quantitative analyses. The risks are then documented and communicated through the enterprise risk register along with mitigation strategies and contingency plans. Opportunities presented by the risks are communicated to appropriate leadership stakeholders to evaluate for strategic investments.

To enable early-stage detection, responsiveness and ability to act decisively, we periodically undertake stress-testing, scenario and sensitivity analyses as appropriate to the risk category.



### Development of Mitigation Plans/Strategy

The ROs identify major impacts, and addressable root causes, understand the critical levels and formulate the mitigation strategy addressing each of the levels. These are reviewed in conjunction with appropriate enhancements to governance mechanisms including operational controls, policies and procedures. The business continuity and disaster recovery team develop appropriate contingency and incident management plans besides ensuring associate awareness.

### Internal/External Communication of Risks and Opportunities

All risks, impacts, and mitigation strategies are reported to the Board each quarter. There is well-defined management accountability of risks with the senior management and Board of Directors. We undertake comprehensive and transparent risk disclosures to our shareholders, regulators, rating agencies, and other stakeholders.

### Integration of Risks and Opportunities with Strategy

Emerging risks are identified and integrated into TechM's strategic decision-making process as relevant to our business, brand, and reputation. Opportunities for revenues through customer solutions and margins through cost optimisation are evaluated and incorporated into our plans. Senior leaders across business units help us evaluate scenarios and solutions to address challenges posed to our business and our customers by climate change. Their recommendations are incorporated into our business strategy leading to the development of new solutions for our customers. Read more in the [<Intellectual Capital Chapter>](#) and [<Green Solutions Chapter>](#).

### Sensitivity Analysis and Stress Testing

As a part of the risk management process, for specific top risk categories, we undertake quantitative assessments periodically. Sensitivity analyses for specific variables and assumptions, stress testing and scenarios helps us better understand financial, environmental, social, and governance risks over appropriate horizons. Different departments within TechM use sensitivity and stress analysis in financial models to improve their decision-making.

Sensitivity analysis and stress testing was carried out for the following risks:

#### Strategic M&A Risks

Read more [<MDA Integration Risk, Impairment Risk>](#).

#### Quality and Operational Risk

The quality management team QWAY works closely with the BU and service delivery teams throughout the project delivery lifecycle. Additionally, the customer centricity team works with varied stakeholders to manage escalations and address commercial, contractual and SLA litigation risks. Read more in the section on [<Customer>](#). These risks are continuously monitored, evaluated and managed using a combination of technology and other resources.

Operational risks encompass the uncertainties due to project execution, people and external variables in business operations. Risk impact estimates based on potential revenue loss or opportunity cost and based on probability determine our risk exposure. We periodically evaluate the validity of the underlying assumptions based on the changing external environmental and internal factors.

#### Compliance and Regulatory Risk

Read more [<MDA Compliance risk, Service delivery, litigation, and regulatory risks>](#)

#### Market Risks

Read more [<MDA currency risk>](#)

#### Water Stress

Precipitation patterns and depletion of water bodies can cause water insufficiency directly affecting operations. To understand the effect of water on our operations, we used water stress testing. The analysis shows an increase in purchase costs of water during the seasonal variability which may result in higher operational costs.

#### Climate Sensitivity

We contemplate these as tail risks, which might have the potential to disrupt our operations even if the chance of prevalence is considerably low. For building sensitivity analysis, we found out how deviations within the temperatures and precipitation would have an effect on our associates' well-being and disrupt our operations, which can affect delivery performance leading to revenue loss.

**Emerging Risks**

Risk	Impact	Mitigation
<p><b>Cyber and Information Security, Data Privacy</b></p>	<p>The transition to WFH &amp; WFO hybrid model has heightened cyber security challenges. Digital business has also scaled up. The rising war crisis has raised the fear of cyber war. There has been an increase in cyber-attacks globally from increased and sophisticated ransomware attacks which are also increased by BYOD risks. Concerns around accessing unapproved websites/use of hardware, and increased sophistication of hackers have heightened. Exposure through unbridled usage of social media is also a privacy challenge. In addition, there is a relentless increase in privacy regulations where countries including India are asking for data localisation etc.</p>	<p>TechM is a pioneer in enabling remote working and agile delivery which coupled with our proactive response has allowed us to ensure business continuity during these challenging times.</p> <p>Our risk mitigation strategy includes focused action on strengthening operational controls and deploying business continuity principles to build business resilience to internal and external challenges. We regularly conduct associate awareness on risks and security besides looking at identifying business opportunities to counter increased risks due to work location changes.</p> <p>Our Information Security and integrated business continuity management framework coupled with threat detection and incident response mechanisms are discussed in the chapter on &lt;Information Security, Cyber Security and Data Privacy&gt;.</p> <p>The four important pillars of continuity and resilience include People Safety, Asset Protection, Environment Safety – IT and Non-IT as well as Continuity of business services, internal and external customers. These are discussed in the chapter on &lt;Business Continuity&gt;</p>
<p><b>Human Capital</b></p>	<p>Recession and inflation will have its impact across the regions. The breakup of pandemic has increased stress, coping with WFH to balance professional and personal commitments which has brought productivity and mental well-being challenges. In addition, there is a strong demand leading to supply-side talent issues including a talent war and attrition.</p> <p>Rapid evolution in technologies necessitates professionals to upskill and adapt themselves to be productive, efficient, and relevant in the dynamic workplace. Employee Engagement, overall well-being with a sense of purpose combined with career planning offering continuous growth backed by learning and development are increasingly essential to address high attrition rates which may result in a substantial loss of talent every year.</p> <p>This has heightened the importance of people &amp; culture and changed the dynamics of how organisations operate.</p>	<p>We are adopting a sustainable reset of the workplace to drive a long-term sustained transformation with a vibrant culture. We are implementing a twin-pronged approach of flexibility and a portfolio-based approach to our work strategy. We have adapted to the hybrid work model to continue to safeguard the health, safety and welfare of the associates.</p> <ul style="list-style-type: none"> <li>+ We focus on nurturing our associates to have fruitful and high-impact careers within our organisation.</li> <li>+ We are ensuring the future readiness of the workforce by upskilling and reskilling. Read More &lt;Learning and Development&gt;</li> <li>+ We are strategically attracting a more diverse and inclusive workforce to foster creativity and thought leadership. Read more &lt;D&amp;I, Talent Management&gt;</li> <li>+ Our Employee Engagement efforts are focused on understanding and addressing concerns by improving our processes including rewards &amp; recognition. This ensures that building an appreciative culture remains integral to our culture.</li> <li>+ We have created a new role of a Chief Wellness Officer to drive our World of Wellness (WoW) initiatives. Read more &lt;Wellness&gt;</li> <li>+ We have also expanded our operations to Tier II cities in India and abroad to attract niche talent which prefer to work from home locations &lt; Supply Side Risks&gt;</li> <li>+ TechM has a comparable remuneration structure, matured HR process and various employee friendly incentives. Additionally, the Company has put in place personalized incentive plans, personalized career development plans, revamped its rotation policy, created an additional kitty for critical resources, put in place a project bonus linked to billing rate increases, activated task teams, and created SBU-wise action plans. We recognize that the ability to attract retain and groom talent is essential to address attrition, build for the future and address succession planning challenges is our utmost priority.</li> </ul>

## CLIMATE RISKS

The rise in the Earth's temperature has resulted in changes in precipitation patterns, changing seasonal and harvesting patterns, extreme variability in weather and rising sea levels among others. The increasing incidence and severity of these impacts create risks for our customers and for our operations and business activities. As a result, we are seeing the tightening of climate policies and regulations and collaborative efforts across nations to accelerate the transition to a Net Zero Carbon economy. The Paris Agreement has set the goal to limit global warming to 1.5 or 2 degrees Celsius and those will affect business models and investments across all sectors and for us. Increasingly, investors are also factoring in the physical impact risk of adverse climate change and along with regulatory risks, may cause a financial impact on us and our assets.

The physical impacts range from those to our associates, damage to physical assets to disruption in our operations and supply chain. These, along with the need to comply with new regulations, any tax on carbon emissions and R&D would increase our operating costs besides the additional capital expenditures on deploying alternate technologies. Additionally, any shortfall in our actions could expose us to enhanced litigation and reputational impact besides risks from shifts in customer preferences and the resultant revenue loss.

Tech Mahindra has made sustained investments in comprehensive business continuity and disaster recovery plans with appropriate mitigation measures to address these risks. Their resilience across physical and technical dimensions came to the fore during the pandemic and has been discussed in detail in the chapter on <Business Continuity>. Our commitment to environmental protection is implemented through our [Environment policy](#) which extends to all our offices and culturally to associates even in the hybrid work environment. We continue to invest in low-carbon technology including LEDs, and solar lights, utilising energy-efficient equipment, cloud computing and virtualisation as well as digital communications with virtual meetings to reduce energy consumption. Additionally, green investments in solar plants and Power Purchase Agreements have helped in curbing emissions and we have increased our renewable energy from 1.77% in FY16 to 22.93% in FY22 virtualised 20,000 servers (internal and external both) & saved more than

80,000 MTCO<sub>2</sub>e emissions. We have also implemented an internal carbon price of USD14/ MTCO<sub>2</sub>e on business units proportional to the resources allocated. These are discussed in detail in the chapter on <Natural Capital>. As part of our purpose and ESG strategy, we have also developed green solutions like Smart Cities, Smart/Micro Grid, IoT-enabled systems besides enabling our customers to deploy cloud computing and virtualisation to reduce their climate impact in line with GHG regulations.

### Other Climate and Environment Related Risks

To ensure that we have a comprehensive strategy towards climate and environmental risks, we undertake a variety of exercises to incorporate into our business continuity planning. We have carried out scenario analyses for a 2°C and 4°C increase in global warming to understand the impact of climate change on our business. The TCFD recommended scenario analysis has helped us in clearly identifying the climate risks and opportunities that are discussed in the <TCFD Chapter>. Based on the findings of the scenario analysis, we are integrating our understanding of risks with our mitigation approaches and environment strategy. The climate-change risks are included in our ERM process and we use the following criteria to prioritise climate change risks:

- + Quantum of impact on operations, changes in regulations, locations of our operations
- + Scope of impact - regulatory, cost and stakeholder concerns
- + Time and resources required for implementing changes
- + The potential return on sustainable investments

We define 'substantive impact' as an event that will probably occur or we expect to occur within a three-year horizon and has the potential to have a materially adverse effect on our business, financial condition, results of our operations and result in catastrophic loss to the environment or community services and well-being of the communities we serve. We assess risks based on the outcome, its probability; the magnitude of impacts over short, medium and long-term horizons as categorised below:

- + Short-Term (ST), expected in less than 3 years
- + Medium-Term (MT), from 3 to 10 years
- + Long-Term (LT), those that are likely to occur after 10 years

We consider strategic impact under 5 categories i.e., business environment, competition, customer, supplier, & government. The impact of risk is categorised into low, medium-low, medium, medium-high, and high to prioritise our action plans. Our risks as defined below are assessed more than once a year.

Key Risks and Potential Impact	Impact of Risk	Mitigation Strategy
<p><b>Climate Action Failure (MT)</b></p> <ul style="list-style-type: none"> <li>+ Decreased Revenues</li> <li>+ Reduced Demand</li> </ul>	<p>The health of the planet remains a constant concern. An uneven recovery from COVID-19 ranked high along with extreme weather and livelihood crises, both of which are exacerbated by climate change.</p> <p>Failing to deliver to our commitments due to the above circumstances will lead to reputation risk, investor dissatisfaction and a rise in customer attrition.</p>	<ul style="list-style-type: none"> <li>+ Strong governance through the CSR committee and Sustainability Council guides our sustainability vision, strategy, action plans, risk management, budgets and sustainability performance. This ensures the strategic integration of climate-related risks with our business, the sustainability charter and roadmap</li> <li>+ Our climate strategy, investments and adoption of Science-Based Targets ensure focus on curbing GHG emissions, addressing climate change and a movement towards carbon neutrality</li> <li>+ TCFD recommended scenario analyses are used to identify climate risks to inform our strategy. This directs our investment decisions and actions as discussed in the &lt;Natural Capital&gt;</li> <li>+ Our technology-enabled solutions help address climate change and enable our customers to meet their environmental obligations and commitments enabling the future of our business</li> <li>+ Developed by Tech Mahindra, #AI4Action is a global collaborative community of thinkers, innovators and researchers from educational institutes and corporations that are focused on developing solutions to tackle climate change. We leverage AI-powered ACUMOS to address the environmental challenges impacting the world</li> </ul>
<p><b>Upstream Supply Chain (MT)</b></p> <ul style="list-style-type: none"> <li>+ Reduced Revenues</li> <li>+ Increased Indirect (operating) Costs to build mitigation mechanisms</li> </ul>	<p>Our global operations are integrated with and thus, dependent on alliance partners, suppliers of technology, hardware and vendors for other material goods.</p> <p>The climate risk-related resilience of these value chain partners directly influences our service continuity during adverse incidents. Such disruptions to our supply chain are a substantial risk to our operations.</p>	<ul style="list-style-type: none"> <li>+ We work with digital infrastructure and platform providers and vendors of digital development platforms and tools. Service Level Agreements (SLAs) with customers are supported by Operational Level Agreements with vendors for ensuring availability &amp; uptime:               <ul style="list-style-type: none"> <li>○ Annual environmental impact assessments and business resilience audit across our supply chain to assess risks</li> <li>○ Ensure that our top 200 high-spend suppliers &amp; vendors have systems for Disaster Recovery &amp; Business Continuity</li> <li>○ We identify alternative vendors and suppliers to build appropriate redundancy to account for dependence</li> </ul> </li> <li>+ We give preference to Partners/vendors with more robust sustainability practices and have conducted capability building workshops with more than 170 of them. Refer to &lt;Sustainable Supply Chain Chapter&gt; for details</li> </ul>

Key Risks and Potential Impact	Impact of Risk	Mitigation Strategy
<p><b>Downstream (MT)</b></p> <ul style="list-style-type: none"> <li>+ Decreased Revenues</li> <li>+ Reduced Demand</li> </ul>	<p>There is an immediate and accelerated emphasis on including climate change impact into the business strategy of customers across sectors. As they increasingly adopt policies and actions towards reducing their environmental impacts as they imbibe sustainability into their operations, there is an enhanced demand of Energy efficiency, reducing power and carbon footprint from us.</p>	<p>Tech Mahindra aspires to be a green company with climate-centric operations and views this as a responsibility and source of competitive advantage.</p> <ul style="list-style-type: none"> <li>+ We voluntarily disclose information on carbon and water management, sustainable supply chain, climate change and water risks and environmental responsibility to our customers and other stakeholders</li> <li>+ We also actively explore the risk to our brand reputation and potential loss of business driven by a change in consumer behaviour towards sustainability, and greener products/services</li> <li>+ We have a focused approach towards sustainability and ensure that our sustainability measures reflect in our actions. Our sustainability initiatives are published at Company's <a href="#">website</a></li> </ul>
<p><b>Market Risk (MT)</b></p> <ul style="list-style-type: none"> <li>+ Decreased Revenues</li> <li>+ Reduced Demand</li> </ul>	<p>Changing customer preferences is a risk as we see an accelerating trend of businesses and consumers preferring to work with and buy products &amp; services from environmentally sustainable companies. Environmental consciousness needs to be backed by concrete steps to reduce carbon emissions.</p>	<p>Tech Mahindra responds to 60+ customer RFPs and RFIs where customers enquire about sustainability disclosures amounting to over USD 1 Bn+ of new revenue potential. Our Board and Sustainability Council ensure a focused, proactive approach towards continually improving our sustainability stance, metrics, actions, and disclosures which are published regularly for all stakeholders.</p> <p>We go beyond compliance and make sustained efforts to manage our business sustainably and actively engage with all stakeholders on sustainability issues and our exemplary work was acknowledged in the Vodafone Supplier Award for Positive Planet Performance award.</p>
<p><b>Acute Physical risk of climate-induced extreme weather events (ST)</b></p> <ul style="list-style-type: none"> <li>+ Increased Indirect (Operating) Costs</li> </ul>	<p>Acute weather events like floods and cyclones are disruptive. A few of our facilities are located in areas, which are vulnerable to such extreme events which can disrupt our operations. These could be a threat to the safety of our employees as well as our physical and IT assets.</p> <p>Ensuring the safety of associates and enabling service continuity would lead to an increase in operational costs besides the cost of insurance and other business continuity and disaster recovery measures.</p>	<ul style="list-style-type: none"> <li>+ We have a robust Disaster Recovery (DR) framework and Business Continuity Plan (BCP) to address these risks and associated potential disruptions. Safety First and measures for service continuity are evaluated through mock drills and trials carried out across all customer projects. Please refer to more details here &lt;<a href="#">Cyber Security, Information Security and Data Privacy</a>&gt;</li> <li>○ Our processes ensure services to customers' acceptable service levels besides undergoing Vulnerability Assessment and Penetration Testing for secured corporate network operations.</li> <li>+ TechM maintains its commitment to Health, Safety and Environment, by continually improving its processes which have been detailed in the chapter on &lt;<a href="#">Occupational Health and Safety</a>&gt; and facilities management is covered in &lt;<a href="#">Service Capital</a>&gt;</li> </ul>
<p><b>Chronic Physical Risk (LT)</b></p> <ul style="list-style-type: none"> <li>+ Increased Capital Expenditures</li> </ul>	<p>Precipitation patterns are changing within the Indian Sub-continent. Heavy industrialisation, along with forest and green cover destruction is impacting the quantity of rainfall and reducing soil water retention. The resultant water scarcity directly affects operations while the projected water stress and seasonal supply variability increase water management costs. Sea-level rise is recognised as a long-term risk.</p>	<p>Our ERM team reviews our risks quarterly and enables taking actions to reduce the impact like relocating operations to suitable areas and cities. Better workforce management and planning help us to prevent negative impacts on the workforce including personal health, safety, and absenteeism due to ill-health.</p> <p>Read more about our measures on Water Management in &lt;<a href="#">Water Stewardship</a>&gt;</p>

Key Risks and Potential Impact	Impact of Risk	Mitigation Strategy
<p><b>Reputation Risk (MT)</b></p> <ul style="list-style-type: none"> <li>+ Decreased Revenues</li> <li>+ Reduced Demand</li> </ul>	<p>Our customers, as part of their sustainability charters, expect suppliers like Tech Mahindra to be environmentally responsible. Many of our large customers also audit and review our sustainability charter on aspects including carbon emissions, water, waste and environment management policies, our compliance with local environmental laws and our green initiatives. Sustainability non-compliance is associated with reputation risk.</p>	<p>Tech Mahindra has been one of the early movers in line with sustainability and has established itself as a leader in this space. Our Integrated Report is compliant with CDP and TCFD while being based on GRI standards. In addition to our environmental initiatives discussed in the <a href="#">Natural Capital Chapter</a>, we have also implemented Carbon Pricing. In addition, we focus on awareness amongst our associates, customers, and suppliers through 'Making Sustainability Personal'.</p>
<p><b>Technology Risk (ST)</b></p> <ul style="list-style-type: none"> <li>+ Increased Capex</li> </ul>	<p>There is a rapid evolution of technology, be it infrastructure, hardware or software providing better functionality, greater energy efficiency and urge to replace older systems. At the organisational level, adopting new technology can have significant cost implications for our capital expenditure.</p> <p>This applies to better emissions management technologies across both digital and physical infrastructure as well as associated equipment.</p>	<p>We recognise that transitioning to lower-carbon technologies requires significant capital expenditures and close coordination between policy, technology, and capital. At Tech Mahindra, we have always transitioned to new technologies to move towards carbon neutrality like switching to energy-efficient devices for building management.</p> <p>We are replacing our existing data centres with more efficient HVAC containment; airflow reduction systems, low-power consumption, utilisation of natural cooling techniques wherever possible, installation of more energy-efficient equipment (LED lighting), parking lamps with solar lights, and replacing obsolete equipment, etc.</p>
<p><b>Legal and Current Regulation Risk (MT)</b></p> <ul style="list-style-type: none"> <li>+ Increased Indirect (Operating) Costs</li> </ul>	<p>The largest footprint of our operations is in India where the Water Act, 1974; Air Act, 1981 (Prevention and Control of Pollution), Environmental (Protection) Act, 1986 and Solid Waste Management Act are the applicable environmental regulations. Under the current laws, regulators can revoke Consent to Operate, require self-monitoring and reporting, require corrective action and prescribe compliance schedules with the ability to pursue under the criminal authority of courts.</p> <p>The Ministry of Environment, Forest and Climate Change (MoEFCC), the Central Pollution Control Board (CPCB), State Departments of Environment, as well as State Pollution Control Boards (SPCBs) and Municipal Corporations are the primary institutions for enforcing regulations. Any non-compliance may result in the direct closure of our operations in the non-compliant facilities.</p>	<p>As an environmentally responsible company, we are fully compliant with the local, state and central norms for all environmental policies applicable to our operations. Our ERM addresses these risks as failure to comply with the regulations could result in the suspension of licenses, thereby, severely impacting our ability to continue service delivery. Our legal team monitors global regulations and their potential impact on our businesses.</p> <p>We reuse and recycle our waste using our robust waste management system including waste segregation at the source. We collect both hazardous and non-hazardous waste with scrap provided to vendors for recycling. The organic waste is converted to manure through Vermicomposting and organic Waste Composter at our major locations. 22 tonnes of food waste was converted to manure and reused for landscaping.</p> <p>We ensure compliance with the Air (Prevention and Control of Pollution) Act, 1981 and updated norms for our facilities, zero discharge of any wastewater into water bodies as per the Water Act, 1974. In addition, we have STPs installed at most of our facilities, where treated water is used for landscaping across facilities.</p> <p>At Tech Mahindra, e-waste generated includes defunct computers, monitors and servers, and electronic/ electrical items that are recycled through government-authorised certified vendors. FY22 had 85.08 tonnes of E-waste and battery waste sent for recycling through an authorised vendor.</p>

Key Risks and Potential Impact	Impact of Risk	Mitigation Strategy
<p><b>Emerging Regulation Risk</b> (Renewable Energy, Carbon Price) (MT)</p> <p>+ Increased Capital Expenditures</p>	<p>India has 73% of our workforce and the government has planned Nationally Determined Contributions (NDCs) at the Paris Agreement to increase the share of non-fossil fuels energy to 40% of the total electricity generation, and reduce emission intensity of the economy by 33%-35% by 2030 from 2005.</p> <p>There is a proposed ~3x increase in the carbon tax on coal in India, based on the social cost of carbon implying an increased cost of GHG emissions. To ensure implementation of India NDCs, NITI Aayog, which is a think tank of the Government of India, has incorporated a draft National Energy Policy and we foresee compliance mandates for renewable energy, imposition of a carbon tax; and any such regulations would increase our operational expenditure towards a higher payout for the electricity purchased from the grid.</p>	<p>+ Tech Mahindra is a sustainability leader, with many proactive initiatives to ensure that we are aligned to India's NDC commitments. We focus on investments in solar panels for internal renewable energy generation. We also invest in Power purchase agreements (PPA's) to increase the non-fossil fuel electricity consumption. These investments are included in the cost of management of this risk</p> <p>+ We have introduced a Carbon Price of USD 14/MTCO2e. The funds from Carbon Pricing are allocated to climate centric initiatives like the installation of solar plants, setting up of sewage treatment plants, PPAs, installing LEDs, HVACs and other energy-efficient devices</p> <p>+ More details are discussed in the chapter on <a href="#">Natural Capital</a></p>

### Case Studies on Climate-Related Risks

**Physical Risk:** We dealt with the YAAS cyclone situations at our Kolkata, Vizag & Odisha offices during May 2021 which affected 3.5% of our associates leading to an impact on revenue.

Implementing the BCP for our BPO operations and mobilisation of associates in 3 different ways during the simulation: some were transferred to pre-defined recovery locations; some were directed to work remotely; another group transferred work to onshore/offshore counterparts. Further, we estimated a revenue loss of 5% due to client preference where our clients show resistance to WFH operations, failing which there was a negative impact on the revenue of our organisation. We also incurred a physical impact on our infrastructure facilities.

**Transition Risk:** India's NDCs (Nationally Determined Contributions) are committed to increasing the share of non-fossil fuels to 40% of the total electricity generation in alignment with the Paris Agreement of 2015.

TechM aims to increase its renewable energy consumption. In line with the Pareto principle, approx. 20% of our facilities contributed to about 80% of our Scope 2 emissions. We have focused on increasing our RE mix in a phased manner, starting with the top energy-consuming facilities. We have already achieved a 46.46% reduction in our Scope 2 emissions compared to base year FY16. Our Bengaluru facility already has more than 95% of RE (Renewable Energy) in the Energy mix. Overall, we have increased our RE to 22.93% in FY22 and with respect to our target, increase to 50% by 2025.



**Water-Related Risks**

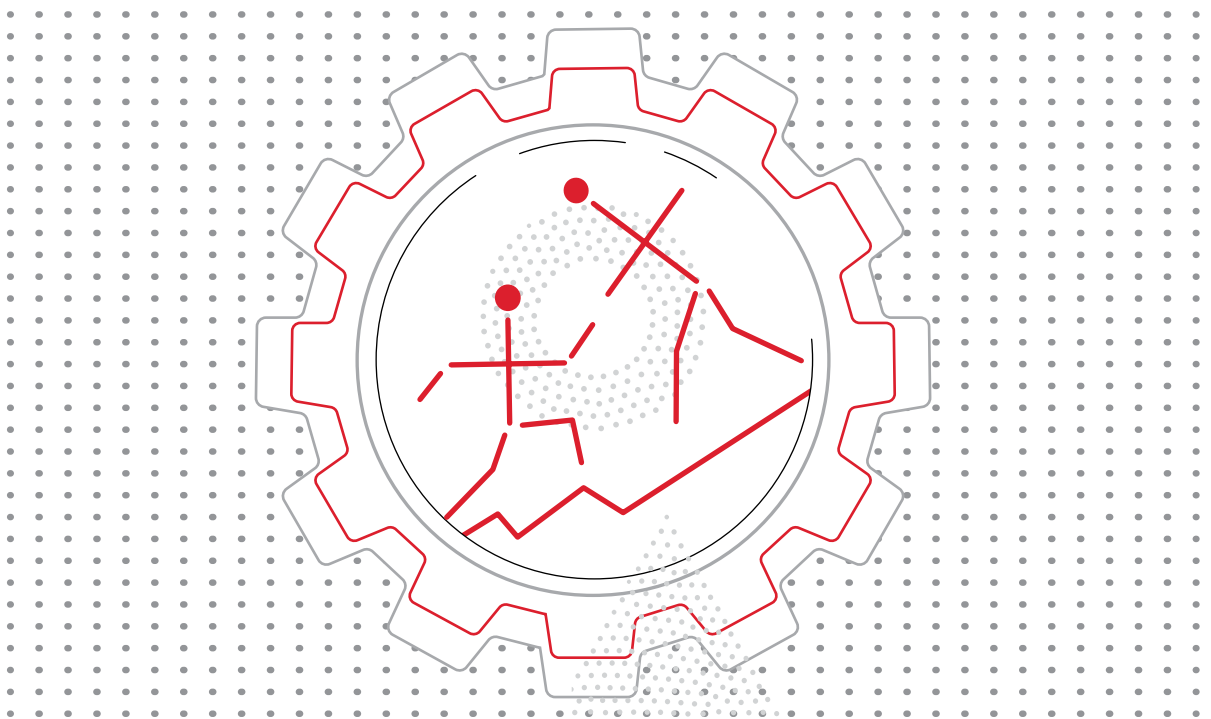
Key Risks and Potential Impact	Impact of Risk	Mitigation Strategy
<p><b>Pollution (ST)</b></p> <p>+ Increased direct costs</p>	<p>According to the World Health Organization, 75% of water resources in India have inadequate water quality standards.</p> <p>For example, the water quality at the Yamuna river is declining due to sewage and industrial wastewater discharge. The peak and diffused sources of contamination including farming and a variety of impacts on water quality by unregulated in-stream usage including open defecation, and clothes washing lead to the worsening of water quality. This may affect the health of our associates and cause various water-borne diseases.</p>	<p>Tech Mahindra conducts regular pollution and other water quality tests for the safety and hygiene of incoming water supply to avoid disruption in operations due to employee sickness. We undertake greater due diligence on water quality checks and conduct water audits.</p> <p>Regular water tests include testing of the chemical and microbiological parameters, Colour, odour, and pH level among others, and ensure that they are maintained within prescribed limits.</p>
<p><b>Water Stress (ST)</b></p> <p>+ Increased direct cost</p> <p>+ Increased indirect (operating) costs</p>	<p>Water stress is a growing problem, due to erratic rains, rapid consumption of groundwater by development and drought conditions due to climate change. This necessitates industries to be resilient to adverse effects.</p> <p>According to the Aqueduct report by WRI, locations falling under, Baseline water stress (BWS) of &gt;80% are considered extreme water stress regions. 7 of our current locations including Pune, Bengaluru, Gujarat, Chennai, Hyderabad, Mexico, and Belgium fit that criterion. We foresee our risks to include increased costs to address the need for water besides that to reputation and revenue if these are not addressed.</p>	<p>We see an opportunity to reduce the dependency and costs of purchasing freshwater and recognise the need to set meaningful goals on quantifiable water metrics. This allows a focus on water efficiency and disclosures as they relate to our environmental impact. Disclosures encompass annual water usage, water-related risks, and governance of water through our <a href="#">Water Policy</a> with Water Management strategies, systems, processes, and practices.</p> <p>We have a robust Water Management Plan to address water stress by recycling and reusing wastewater through STPs, investing in rainwater harvesting plants to recharge groundwater levels and installing water sensors and restrictors to manage water consumption. We also emphasise spreading awareness amongst our stakeholders on responsible usage of water in direct and indirect operations.</p>
<p><b>Increased Water Scarcity (MT)</b></p> <p>+ Increased Operating Cost</p>	<p>Increasing Water scarcity causes serious problems with our Business operations. Overexploitation of non-renewable groundwater from deep aquifers by private suppliers which is highly unregulated increase the risk of water scarcity/decrease in water availability in future. Limited availability of ground and surface water will lead to an increase in water tariffs/charges in the short and long-term.</p>	<p>The 3Rs namely Reduce, Recycle, and Reuse shall remain the pillars for our water conservation and management. Our strategy is to reduce our dependency on external water sources (private and municipal water supply). Contribute to a deeper understanding of systemic challenges of urban water in the major cities in India we operate from. Apart from this, our in-house water recycling systems are installed at our owned campuses which recycle 40% of total water consumption. We have installed ultra-filtration and RO projects for STP treated water at our owned locations.</p>

## Opportunities due to Climate-Related Risks

Our appreciation and mitigation plans for climate-related risks have also led to the identification of opportunities that provides impetus to overall sustainable business growth. Customer-facing functions of business verticals and solutions groups identify opportunities that are benchmarked with the industry. These are reviewed and prioritised during regular meetings between the Chief Technology Officer, Chief Operating Officer, Head of Innovation and Chief Sustainability Officer. Our R&D initiatives and investments are decided based on the demand for IT-based solutions for energy management and climate change factors. We evaluate the size, market relevance, R&D budgets and progress on milestones as well as salience to the vertical and overall business strategy to channel our efforts.

Opportunity	Impact	Strategy
<p><b>Transition to Low Carbon Operations</b></p> <ul style="list-style-type: none"> <li>+ Reduced Operational Costs</li> </ul>	<p>Focus on green energy has provided us with a significant opportunity to manage our emissions and improve cost efficiencies by using internal solar power plants.</p>	<p>Our focus is on reducing our energy consumption and increasing RE in the total energy mix</p> <ul style="list-style-type: none"> <li>+ We have approved Science-based targets to reduce our Scope 1+2 emissions. We have taken a target to become Carbon Neutral by 2030 and Net Zero well before 2040</li> <li>+ We have taken a target to increase our Renewable Energy to 59% by 2025. Implementation of low emission technology and increasing Renewable Energy mix will help us reduce our GHG emissions</li> <li>+ Installation of Solar plants at 11 of our facilities and PPAs help us generate 23 Mn units of renewable energy and save 17,965 MTCO<sub>2e</sub> of emissions</li> <li>+ Resource efficiency has helped reduce operational cost and renewable energy mix helped us reduce grid electricity cost</li> </ul>
<p><b>Resource Efficiency (3Rs)</b></p> <ul style="list-style-type: none"> <li>+ Reduced Operational Costs</li> </ul>	<p>TechM's water requirement has increased 1.5 times due to increased operations, locations, and employee base.</p>	<p>Increasing the use of 3Rs for water presents an opportunity to reduce the intake of freshwater and the associated purchase costs.</p> <p>Our Water Policy, strategy, systems, processes and practices govern our approach to water stewardship. We reduce the usage of water by recycling and reuse of wastewater in our STPs, harvesting rainwater and by bringing in efficiency by using water sensors and restrictors to reduce our total freshwater requirement.</p>
<p><b>Development of New Products and Services (R&amp;D and Innovation)</b></p> <ul style="list-style-type: none"> <li>+ Increase revenues through access to new and emerging markets</li> </ul>	<p>Smart City Solutions are an opportunity for Tech Mahindra, as the global Smart City solutions market size is expected to reach USD 463.9 Bn by 2027, at a CAGR of 24.7% from 2020 to 2027*.</p> <p>We have been successfully developing solutions in smart cities and will continue to expand further in Smart areas.</p> <p>*Study conducted by Grand View Research, Inc.</p>	<p>Our Smart City Solutions and offerings are uniquely positioned to provide smart solutions including solid waste management, lighting solutions, digital emergency service, vehicular parking, street lighting, energy management, traffic management etc.</p> <p>SMART Grid, Microgrid-as-a-Service (MaaS), Intelligent Electric Vehicle Charging System (IEVCS), and Community Action Platform for Energy (CAPE), Smart energy management, Smart traffic management, Smart lighting management, Smart waste management systems and command and control centres. These additional offerings are an outcome of our R&amp;D and innovation initiatives. Thereby, we do not specifically attribute the cost of development of these offerings, hence the cost of realisation of this opportunity is zero.</p> <p>The Energy and Utilities segment also helps our customers increase energy savings, the efficiency of service delivery and assets management besides smart solutions to digitise and automate operations.</p>

Opportunity	Impact	Strategy
<p><b>Products and Services (Shift in consumer preferences)</b></p> <p>+ Increased Demand and Revenues</p>	<p>We strongly believe that our continuous efforts towards sustainability would enhance our reputation and competitive position with our customers.</p> <p>Many of the Customer RFPs we respond to ask about our sustainability measures, strategy and disclosures as a selection criterion. The potential value of these RFPs represents significant new business revenues. We believe that demonstrating a leadership position for a pro-environment, climate change sensitive and sustainable business will help us enhance our win ratio.</p>	<p>Our robust sustainability strategy, policy and governance mechanisms make us a leader in sustainability practices and how our business strategies are imbued with sustainability.</p> <p>At Tech Mahindra, we perform scenario analysis according to TCFD and climate-related risk assessments for acute and chronic events which are integrated with our ERM and disclosures. These along with continually strengthened business continuity plans and disaster management systems make us resilient as evidenced by our response to COVID-19 and related rapid shifts in business models over the last two years.</p> <p>We also conduct supplier capacity building workshops to have a two-way engagement focused on sustainability. We also conduct a materiality exercise every year to identify critical material issues.</p> <p>Sustainability is our way of conducting business and we do not attribute any special cost to this opportunity.</p>



# Cyber Security, Information Security and Data Privacy

Information security, cyber security and data privacy are critical aspects of our business management systems. Inadequate prevention, detection, and remediation of any breaches put the Company's and customers' data at risk which can be an expensive proposition. Ensuring that our services are secure, resilient, and well-defended against both internal and external threats is the bedrock on which our customers derive confidence in our capabilities. Our efforts are centred on enabling a safe outsourcing customer-centric destination with constantly improving security capabilities.

Tech Mahindra has a robust and dynamic approach to managing data security across its global operations in line with the Company's business objectives and customer requirements. The Information Security process ensures Privacy, Information Security and Business Continuity for all Tech Mahindra business processes globally. Privacy and Information Security are among the top risks for the company and are reviewed each quarter by the Board Risk Management Committee. The evolution of the business environment in light of the transition to new ways of working has provided insight into global risks and challenges. In general, the risk intensity of any identified business risk varies based on the environment, business changes and new regulations. Our response to each risk is calibrated as per our enterprise risk management [Read more <Risk Management>](#). The ISG (Information Security Group) function continuously translated information security challenges and risks to opportunities for developing new processes and improving existing ones.

Some of the key challenges that we addressed from an information security and privacy perspective this year included the impact of lockdowns, large scale ransomware attacks, privacy regulations and client sensitivity to WFH. TechM, amongst others, faced the real threat of a global shutdown of its offices, client disruption and an inability to deliver from a WFH situation. Most of the legal contracts were structured around the requirement to operate within a secure physical offshore datacentre. Associate safety, social distancing and other measures necessitated that most of the workforce had to work from home.

This transition to a WFH environment across the economy necessitated the rapid scaling up of remote access gateways to enable access to company datacentres potentially causing errors or misconfiguration. Organised, sophisticated cybercriminals (Maze, Revil) and nation-state operators actively targeted these to exploit any vulnerabilities and instal ransomware capable of encrypting and exfiltrating vital data. Widespread attacks targeted mature and large organisations, exposing many companies, that struggled to function for some time. Those companies which refused to pay faced the risk of their data being publicly exposed on the Internet. In addition, there was a need to work with customers to relax their contractual conditions to allow WFH instead of working from the office. Customers who normally worked out of offshore physically segregated areas called Offshore Delivery Centers (ODC) evaluated our approach and agreed to allow work from home. However, concerned with the increased number of successful cyber-attacks they required suppliers to ensure extensive compliance and threat monitoring to ensure the protection of their operations and intellectual property. Additionally, though there has been a rapid evolution in work environments across the globe, countries continued to enhance and apply their Privacy regulations and laws simultaneously. Mitigating the impact of the pandemic also required the management of additional sensitive data such as health data of associates and their families which was used to provide COVID assistance.

Our response was to invoke the Tech Mahindra Business Continuity Plan at a global scale within a short period of a week which resulted in 94% uptime of all business operations and a high satisfaction rate (98%) from our customers. While the IT team set up the remote gateways, the security team had to ensure that there were no exposed vulnerabilities, at the time of rollout and thereafter. Tech Mahindra's existing process and systems were effectively able to mitigate the identified risks with no incidents or losses. Based on anticipated risks, work from home related policies and processes were refined and staffing increased. Additionally, we ensured that all new COVID applications and systems were privacy compliant.

The main objective of the Information Security function is to provide business assurance to our customers that our services are secure, resilient, and well-defended against insider and external threats, in alignment with the organisation's strategy. The function aims to achieve this goal through four strategic objectives:

- + **Secure Workplace:** TechM is seen as a safe outsourcing customer-centric destination. To achieve this there is an established, integrated federation programme with the project managers to inculcate a habit of ongoing enhancements to security processes through automation. This enables a customer-focused secure product delivery through the security outreach program. TechM is aligned and certified for ISO 27001:2013 Information Security Management System globally.
- + **Secure Service Delivery:** Tech Mahindra delivers to our customers with improved and rising capabilities in secure products as per essentials in the customer specifications. Secure Software and the digital product delivery are monitored across security controls and assessed continuously through our security project health reporting platform.
- + **Secure Digital and Platforms:** We have created a new-age delivery platform which is integrated with customer-centric security governance and oversight. All digital products undergo a security assessment and a vulnerability check before deployment for go-live. The data protection and privacy aspects are governed by our data protection and privacy framework aligned and certified for ISO 27701:2019 Privacy Information Management System standard.
- + **Secure Subsidiaries and Trusted Partners:** The subsidiaries and trusted partners are aligned to security compliances through our supplier risk management programme and our subsidiary security alignment program. Both subsidiaries and the trusted partners are monitored through security metrics, that are regularly reviewed by the respective management stakeholders.

Thus, our strategy encompasses security assessments and oversight mechanisms across the workplace, service delivery, and digital platforms. Our framework to address information security and privacy requirements is also extended across all TechM entities (including subsidiaries) and our suppliers.

- + The strategic objectives are assessed by 3rd parties for the degree of maturity on international standards like SOC 2 Type 2
- + Effectiveness is measured using the Balanced Score Card for business alignment and external certification and SOC 2, Type 2 assessment

We have a robust ISG organisation structure with specialised teams dedicated to their areas of expertise including risk and governance, data privacy and data protection, standards, and technology, BCP and training. The team interfaces with a variety of internal stakeholders to execute its strategic objectives. The ISG team is headed by the Chief Information Security Officer who also chairs the subsidiary security council which has representatives from the subsidiary security management leadership. The CISO (Chief Information Security Officer) is a part of the Management Security Council which is chaired by the COO and has representation from delivery leadership.

There are independent Data Protection Officers (DPO) appointed. Privacy Office is established to ensure privacy compliance to GDPR and applicable country regulations across our global operations. DPO (Data Protection Officer) Function comprises a Global DPO and DPOs of various countries or geographic regions across the world. The DPO committee reviews the functioning of the DPO and the Data Protection compliance of Tech Mahindra. DPO Committee is constituted to support Global DPO, with appropriate senior-level representatives from Legal, CIO, CISO (ISG), Delivery, HR and RMG (Resource Management Group) Functions. The DPO Function works closely with the data privacy compliance function and ensures continuous privacy compliance and improvements. It consists of Global DPO – aligned through Group General Counsel (“Group GC”) to the CEO/Board of Directors. DPO for Country or Region – Leads the DPO function for one or more countries in a jurisdiction. DPO of countries and regions work collaboratively with Global DPO. The DPOs are supported by the Privacy and DSR office. Privacy Office which implements, monitors, and improves privacy compliance within Tech Mahindra, also seeks advice from DPOs and acts on their recommendations to improve privacy compliance.

The Information Security Function structure has been designed to ensure the effective operation of the core processes and to facilitate the smooth implementation of strategic programs. The structure

also takes note of the segregation of duty matrix by making independent the Audit and Compliance functions. The compliance team structure is aligned to the organisational structure to facilitate the implementation of compliance controls and tailor reviews and accountability in line with the function/delivery organisation structure. Our process framework addresses the three key functions of Privacy, Information Security and Business Continuity. The process is discussed in detail in our disclosure under TC-SI-230a.2 below.

Our stakeholders include customers, delivery teams, compliances as well as several internal functions that we actively interface with. We have a process of continuous improvement embedded into the overall process and individual subprocesses. End-user's feedback is taken periodically and processes and sub-processes are reviewed and continually improved. This helps ensure there is a mechanism for incorporating stakeholder feedback and that lessons learnt are applied.

Tech Mahindra has adopted NIST Cyber Security Framework SP 800-53 for some of its customers' specific requirements as recommended by external auditing firms and also have PCI DSS certifications in compliance with other client-specific contractual requirements. Clients also conduct second party audits for their operations with Tech Mahindra. ISG team also facilitates SOC audits, PCI DSS audits, HIPAA/HITECH compliance audits and any other client-specific audits across the organisation. TechM uses the "Information Security Forum (ISF)" Standard of Good Practice (SOGP) Metric for evaluating and measuring the effectiveness of the ISG. These include controls and measures around Physical Security Controls at the TechM campus and internal building perimeter. TechM has adopted a layered security approach (defence in depth) to manage security such as Network & System Security. Each ODC (Offshore Development Center) has a further layer of physical security.

The measurement of the processes is done using the ISF Health Check Tool and assessed using SOC2 Type2 standard and certified globally for ISO 27001:2013 Information Security Management System and ISO 27701:2019 Privacy Information Management System standards.

TechM has a well-defined [Data Privacy and Protection Policy](#) in support of the Information Security Policy. The objective of this policy is to minimise the risk to

information that is being compiled, used, transported, processed, or held within/outside TechM premises. It is aligned with the Indian IT Act 2008, the EU GDPR Regulations and EU GDPR 2016 (Regulation). The Company has complied with applicable regulations like EU GDPR as per the Tech Mahindra GDPR Data Privacy Compliance Statement, UK's Data Protection Act 2018, UK GDPR, CCPA, PIPEDA and other related local country privacy regulatory requirements across the globe. We follow well-defined data privacy protection principles and proven best practices. TechM performs the role of a data processor, while also working closely with our customers and partners to meet contractual obligations for our procedures, products, and services. Tech Mahindra is committed to safeguarding the personal information we collect, process, and store on behalf of our clients and business partners. We are committed to ensuring that any personal information entrusted to us is safeguarded with an appropriate level of security protection and is only used in a way that our client's customers and employees would reasonably expect.

The Company's Data Privacy & Protection Policy sets precise requirements for all the functions, projects, associates and suppliers to ensure privacy and data safeguards across all its business operations. The objective of the policy is to minimise the risk to Personal Data (PII / SPI) that is used for Tech Mahindra's business operations due to the seriousness we attach to data privacy. We have developed a Data Privacy, and Protection framework to ensure that our organisation and services are compliant with applicable data privacy laws and that wider data privacy risks are effectively managed globally. Tech Mahindra also has a [Privacy Policy](#) and Data Privacy Management Framework (DPMF) that describes the strategies adopted and implemented to comply with regulatory compliance requirements of global Data Privacy Laws.

Tech Mahindra was assessed using the proprietary EY Data Privacy Assessment Framework based on Global Privacy Best Practices. It has 18 different subprocesses which were independently assessed by EY and the results were presented to the Board.

A structured and documented methodology is applied and integrated with the framework to continue business operations that are aligned with global privacy laws, Privacy Information Management ISO 27701:2019 and Information Security 27001:2013 standards.

Our high-level process framework has four major components, organised similar to the PDCA (Plan-Do-Check-Act) cycle for ensuring rigour and focus on continuous improvement. We incorporate inputs from business and customers, risk assessments, compliance and regulatory contractual requirements etc. factoring in industry trends, best practices and technology evolution. A key area of focus is on learning from both routine tasks as well as strategic initiatives conducted in the previous year to guide the process improvements for the current year and ensure rapid scale-up of strategic initiatives.

- 1. Assessments** – Risk and compliance requirements are met and incidents are constantly assessed along with appropriate mitigation approaches as well as process improvements.
- 2. BAU activities** – Operational security, privacy, compliance, security and business continuity risk management framework is deployed and monitored within the organisation and its third-party vendors.
- 3. Management review** – Periodic review of initiatives and operational effectiveness of the security and privacy framework.
- 4. Strategic activities** – Initiatives to enhance controls in line with the long-term goals and the anticipation of emergent risks or client requirements.

The Cyber Security, Information Security and Data Privacy functions are also strongly aligned with the Business Continuity Function (discussed in Business Continuity Chapter). The programme is aligned to ISO 22301:2019 standard. The various activities of this function are exhibited below:

### Business Continuity

People-first is the principle followed at Tech Mahindra. An Employee emergency help desk that enables associates to call on a registered toll-free number and seek support for both associates and family is an institutionalised process. Our responsive approach in the year gone by is characterised by specific areas of focus viz. enabling Work from Home, empowering the human element, protecting against cyber threats and ensuring business continuity.

**Enabling Work from Home** – Customer approvals were an essential prerequisite and needed alignment to the signed-off undertaking. We worked on four crucial aspects to ensure smooth implementation of the plan to work from home to continue normal business operations.

- a. Information Security** – Ensuring safeguards to secure data, asset access and systems are approved through the approval process across all endpoints while ensuring exceptional categories to provide limited access to BYOD devices with essential security access controls and permitted access management. IT controls such as pathing, anti-virus updates, monitoring of critical assets and implementation of data protection and controls were monitored.
- b. Technology Enablement** – Included permitted VPN connectivity to critical infrastructure, applications post risk assessments, monitoring of critical security configurations of infrastructure elements, 2FA (Two-factor authentication), asset protection to endpoints through patch deployment and anti-virus protection
- c. Confidentiality** – Essential Non-Disclosure Agreements and Self-declarations to comply with customer and Tech Mahindra Security policies, undergoing the work from home e-learning programme and data protection and leakage prevention implementation.
- d. Compliance** – Continuous audit and assessment by the security assurance and compliance teams to validate security control compliance as well as the implementation of the Security Project Health Report 2.0 module has been enabled. Audit, as well as declarations from the associates to comply with customer security and TechM security policies, was registered. Mandatory Work from home training programme compliance was tracked across associates.

**Empowering the Human Element** – The Work from Home training and assessment mandate was launched for all associates across the organisation. As virtual computing was implemented, we oriented all our associates with the Must-Do and Must-Avoid practices for a remote working environment. This included inputs on data protection requirements, and the emphasis on access to systems and customer data while keeping in mind customer intellectual property protection. Remote working also required a focus on enhanced awareness towards cyber security essentials, access to the internet and secure usage of applications.

Diligence in response and reporting of security incidents was an important element in the complete training programme for all associates across levels. The Security Awareness 2.0 initiative included a series of short e-Learning programs focused on

security essentials for associates. Role-based e-learning was set up for project managers and other functions enabling quicker response and understanding of the essentials of data protection, and cyber incident response.

**Enhanced Cyberthreats Protection:** Multiple cyber-attacks causing ransomware and data breach potential events required enhanced monitoring of cyber threats to prevent data breaches, access breaches and asset compromise resulting in reputation impacts. 'Anomalous' (an internally developed suite of tools using AI, ML automation) was implemented which allowed monitoring of critical infrastructure and alerts by the Threat Intelligence team, GSOC (Global security operations centre) and the NOC (network operations centre). Case management was integrated to enable root cause identification, implications as well as impacts for necessary reporting to customers.

**TC-SI-220a.2: Number of users whose information is used for secondary purposes**

TechM products or services do not fall under the scope of this requirement. In the reporting year, there were nil users whose information was used for secondary purposes.

**TC-SI-220a.3: Total amount of monetary losses as a result of legal proceedings associated with user privacy**

In the reporting year, there were no legal proceedings associated with user privacy and no associated monetary losses to Tech Mahindra.

**TC-SI-220a.4: (1) Number of law enforcement requests for user information, (2) Number of users whose information was requested, (3) Percentage resulting in disclosure.**

In the reporting year, there were no direct law enforcement requests for user information made to Tech Mahindra.

**TC-SI-220a.5: List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring**

None of the products or services developed by TechM is subject to government-required monitoring, blocking, content filtering, or censoring.

**TC-SI-230a.1: (1) Number of data breaches, (2) Percentage involving personally identifiable information (PII), (3) Number of users affected.**

**Disclosure 418-1: Substantiated complaints regarding breaches of customer privacy and loss in customer data**

We have a structured Information Management System in place to track all types of incidents relating to customer privacy, information security, data breaches, cyber security etc. Tech Mahindra has not experienced breaches of information security or other cyber security incidents over the past three years. There have been no incidents with our IT infrastructure, and we did not pay any penalties or suffer any revenue losses in the Financial Year 2021-22. There have been no Data Privacy Incidents or breaches in FY 2021-22.

**TC-SI-230a.2: Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards**

We have a robust team structure with dedicated SOC Monitoring, Threat Intelligence, and Incident Management. We provide training, conduct Data Privacy assessments and undergo drills to ensure compliance. We have Internal Audit teams that focus on various aspects of identifying data security risks, ensuring compliance, threat monitoring and incident management. Our approach towards responding to sophisticated ransomware and other cyber threats in the year, including the development and deployment of "Anomalous" AI/ML-based automation is detailed in the chapter above.

All processes were externally assessed by KPMG to SOC 2 Type 2 attestation received for 3 major locations (as the first step to global certification which was received on Feb 2021 and again in Mar 2022). SOC 2 Type 2 Assessments are obtained by the most security and privacy-conscious companies and mandate a high commitment to security and privacy compliance and rigour in the preceding 6 months.

Tech Mahindra uses the "Information Security Forum (ISF)" Standard of Good Practice (SOGP) Metric for evaluating and measuring the effectiveness of the ISG. The measurement of the processes is done using the ISF Health Check Tool and assessed using SOC2 Type2 standard and certified globally for ISO 27001:2013 for Information Security Management System and ISO 27701:2019 for Privacy Information Management System.



**The Company is audited and certified for ISO 27001:2013 Information Security Management System (ISMS), ISO 27701:2019 Privacy Information Management System (PIMS) ISO 22301:2019: Business Continuity Management System (BCMS) globally across locations.**

**TechM is audited and certified for SOC2 Type 2 Assessment based on Four Trust Services Principles - Security, Privacy, Confidentiality and Availability for all the locations for the period of January 1, 2021 to December 15, 2021.**

**The overall process framework comprises seven key sub-processes – Risk, Compliance, Privacy, Audit, Business Continuity, Incident Management, and Internal Governance.**

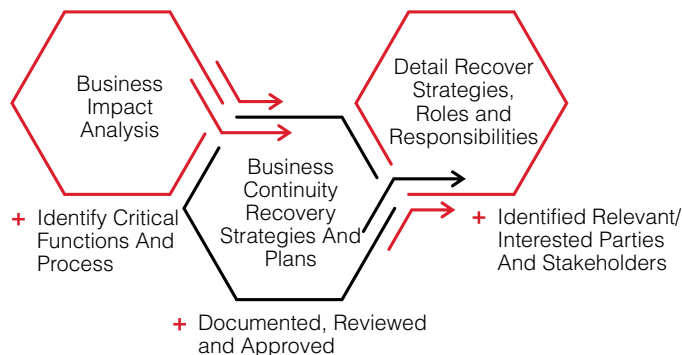
emerging risks. The information security process and its sub-processes are certified annually by external ISO auditors. The external assessments cover a set of four objectives: cyber-risks and trends, business shifts, regulatory changes, and learnings from the past year. Inputs are considered in an annual plan that covers information security initiatives and is used to revise the security strategy for the coming years. The annual plan covers Business as usual initiatives and Strategic Programs. The assessment by external auditors for ISMS, PIMS and BCM certification or surveillance happens annually and many of the customers assess the security and privacy posture at TechM through annual and periodic audits.

**TechM Business Continuity**

TechM has an institutionalised Business Continuity Management Framework aligned to the ISO 22301 standards, SOC-II Type 2, and best practices across Industry. Our Business Continuity and Disaster Recovery Systems Interconnect programme engage the business and offshore development centres ensuring system resilience through the Systems DR Interconnect to Business Continuity framework. Business continuity and disaster recovery plans have been developed, updated, and tested annually and the environmental protection controls are also tested as part of this assessment. Safety drills and Evacuation drills are conducted as per the government guidelines and safety norms of the nation, state, city and the civic authorities of the region, state and country. Our Business Continuity Planning includes contagious illnesses and all directives and government guidelines related to Health and Safety, Environment Safety and Pandemic regulations ensuring associate, building and environmental health and safety is maintained across our global premises.

Cyber security preparedness and privacy compliance are key material topics for the Board and Management at TechM. The Information Security Processes are designed to ensure that the cyber risks a company faces are effectively managed. As these risks are prevalent in every business activity that the company undertakes, the information security process consequently, pervades every function within TechM. The end-to-end process follows a plan-do-check-act model as is designed to ensure that the information security function not only improves its operational processes but also adapts to changing risks and business changes by adding new processes as appropriate to mitigate

**Business Continuity Management System**



Continuous Process of reviewing plans, testing through exercise, identifying issues and applying learning

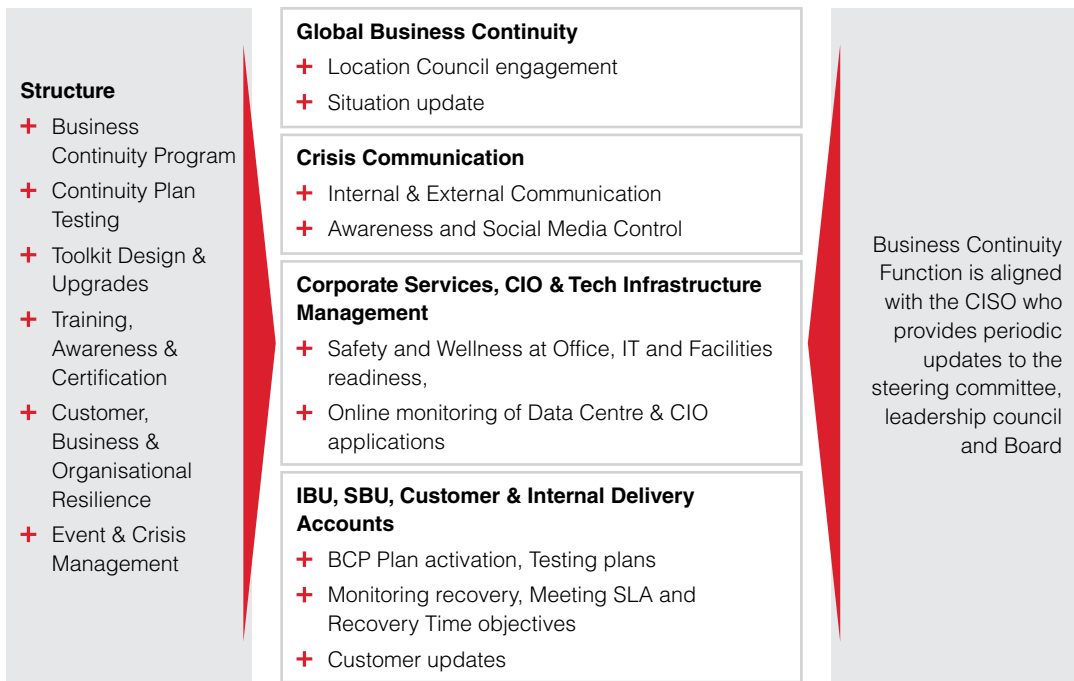
**TechM has multiple recovery models and strategies that permit the recovery and continuity of operations at other delivery centres in the event of a disruption to either of the delivery centres**

- + Shift volume strategies and distributed team allocation across people and teams distributed across the globe including enabling 'Follow the Sun' to ensure high availability
- + Reduced Resource Impact Analysis (RRIA) addresses the impact of mass absenteeism including pandemic scenarios for every project ensuring contingency management for customer contracts
- + Engagement model workflow systems are aligned to include signoffs from the business/function head and the customer representative covering project and account roll-up plans

As part of risk assessment, environmental threats that could impair the availability of the system, including threats resulting from adverse weather, failure of environmental control systems, electrical discharge, fire, and water are identified and planned for. We conduct a variety of annual drills including Plan Walkthrough, Workplace and Business Recovery (including Supply Chain) as well as IT infrastructure failure, Backup/Restore drills for data recovery, to test for service continuity. Business project managers and continuity function representatives execute these drills as per the schedules. Location corporate services and Technical infrastructure management teams conduct the People safety evacuation drills, Safety evacuation drills for Wellness, Sanitisation as well as Health and safety essentials as per the government regulations and people wellness guidelines. Customer directed and engaged drills, tests, and exercises as per contractual requirements are conducted by the

respective project teams annually and results are shared with the customer representatives.

Organisation resilience enabling people safety, asset protection, environment safety and continuity of business meeting customer obligations as well as the availability of important systems and services for the organisation are the prime objectives. Tech Mahindra has an Employee Help Desk with a Toll-Free Number enabling associates to reach out globally for Medical Emergencies, Accident Trauma and Security Issues. Location and Global First Response Teams support the situational cases. The Corporate Human Resources sponsors this programme across the organisation supported by the Corporate Services, Location Human Resource teams partnered with the Technical Infrastructure – CSD Help Desk Team integrated with process oversight from the Global Business Continuity team.



Our Crisis Management framework covers identified events and crisis scenarios with each function and delivery unit taking ownership of plan development. The Corporate Crisis Council leads decision-making and provides directions with the Global Business Continuity team while the First Assessment teams across locations handle and manage the events with the Location Council teams. Global Corporate Communications, Chief People Officer, and Executive Management provide any essential media updates. Customer communication is managed by respective

business units and accounts across business lines while internal communication for associates is managed through teams including Human Resources.

Certification programs for Business Continuity and Disaster Recovery to train and certify associates across business units, functions, and locations. Project Managers and Business Continuity Representatives from projects, locations and functions engage for the Continuity and DR Catalysts certification programs.

Business Impact Analysis is conducted annually for customer & internal delivery projects, business processes and support function services. LIGHTHOUSE is the TechM Internal Business Continuity Plan Documentation Toolkit that provides the capability for all functions (projects, business processes, support services) to document their business continuity plans. These include

- + BCP for Support functions, Locations Continuity & Control Reporting
- + Project business continuity plans and Account Roll Up plans for the Delivery organisation
- + Systems Interconnect Documentation & Planning Needs
- + Drill Scheduling through the Integrated Drill Manager and Drill Result data collection
- + The Library for BCM Help Aids & Support Documentation

The toolkit provides a host of capabilities which includes documentation of plans and reporting on system continuity plan validation for self-assessment and audit. Documentation templates cover the blended planning templates for the Systems DR ICT Interconnect programme for systems, applications, labs, and service centres. This programme enables the disaster recovery of systems, applications, and corporate applications. This ensures continuity of operations, recovery point objectives for data recovery, as well as recovery time objectives, are met to assess business impacts, maintain minimum operating levels and customer obligations as well as the availability of important business services for the organisation.



# CFO Message



**Milind Kulkarni**  
Chief Financial Officer

## Commentary on Financial Performance Highlights

We have seen a strong double digit growth across IT industry in FY22 after a long time. This can be attributed to the strong demand environment created in different industries, by a compelling need to transform their core way of functioning. The 2 years of the pandemic have ensured that this journey through digital transformation is inevitable and we set ourselves a clear goal of helping our clients find better ways to enhance their end customer's value.

During this pursuit, we clocked our best growth in last 7 years and have seen broad-based growth across verticals throughout the year. Communications Business grew by 17.2% while the Enterprise business grew by 17.4%. Within Enterprise, Technology & BFSI were the major growth drivers both for the quarter & the year, all verticals recorded double-digit growths on a year-on-year basis. From a deal wins perspective, our quarterly average has crossed the USD 800 Mn mark, resulting in a total of USD 3.3 Bn in TCV for the year. We have also added

217+ new labels this year thus improving our % of new business to 8.0% compared to 5.4% last year.

Internally, we have tried to maintain our operational efficiency despite the year witnessing significantly high supply-side pressures, particularly the high attrition levels. To combat this, we have had an unprecedented hiring season as well. We have added a net of 30k associates to our workforce, with Q2 alone recording 14,100+ net hiring, the highest ever in a single quarter. We have continued with our Juniorisation strategy having hired more than 10,000 freshers throughout the year. We have also continued to strengthen our adoption of automation in delivery; Offshoring and utilisation still has some headroom to grow due to the significantly large fresher hiring. In addition, we have slowly but actively started expanding to Tier-2 cities & nearshore areas. The way we see it, this fosters a win-win situation for all stakeholders. It brings an infusion of focused, highly dedicated & skilled workforce to cater to our global customers while on the other hand, also galvanising the local ecosystem of these semi-urban centres, eventually helping them to Rise.

Incidentally, this year has also been the most active in terms of M&A activity, with total acquisition value for the year hitting ~USD 900 Mn. The assets are already beginning to help us bridge gaps in our digital offerings, niche skill sets and market access, all of which translate to deal wins.

Lastly, the pipeline continues to be robust across new-age areas 5G, Cloud, Customer Experience and Engineering design services. With our strengthened service offerings backed by our cutting-edge technologies, we believe we are well-positioned to harness the healthy demand environment going into the next financial year.



## Financial Capital Overview

### Financial Capital Overview

At Tech Mahindra, a combination of our focus on Purpose, People and Performance enables us to create a positive impact, sustainably, for all stakeholders. The 3Ps help us progress in the journey to becoming an effective value creator that is trusted by communities, appreciated by shareholders and where employees are proud of their association.

The last couple of years has seen technology companies including TechM playing a transformative role in the successes of our clients. From bringing only incremental value as a singular provider who satisfies the IT needs of our clients, we have evolved into a business partner. We bring exponential value by reimagining the ways of doing business, using nextgen technologies and experiences. For us, Cloud, Connectivity, Engineering and Experience are the cornerstones of the foundation on which the future of business is being built and we are investing appropriately in these areas.

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, 2022. The financial statements of Tech Mahindra and its subsidiaries have been consolidated following the Indian Accounting Standard - 110 on "Consolidated Financial Statements" (IND AS 110).

The discussion on financial performance relates primarily to the standalone accounts of Tech Mahindra Limited and wherever appropriate, consolidated accounts for Tech Mahindra Limited and its subsidiaries are provided for the current year and previous year. To ensure comparability with other firms in our industry, it is essential to consider the figures as reflected in the Consolidated Financial Statements as a better reflection of our overall position.

This Financial Capital section presents a snapshot of value creation and disbursements are also discussed besides direct and indirect economic impacts. We have also indicated the significant investments made over the last 3 years and the stakeholders' impact is mentioned.

### Financial Performance Overview

Tech Mahindra derives revenue principally from IT/IT-enabled services provided to clients from various industries and geographies. Our revenue has grown

steadily over the last five years at a CAGR of ~9.7%. Our revenue indicates an improvement of 17.9% in reported terms from ₹ 378,551 Mn in FY21 to ₹ 446,460 Mn in FY22.

The EBITDA margins remained steady at around 18%. Major headwinds were costs of backfilling attrition – salary hikes & hiring, higher subcontractor costs and utilisation given the significant hiring of freshers we did this year. While we had headwinds dominating the scene, we did have some tailwinds in better operating leverage, off shoring and lower SG&A providing momentary relaxation.

The effective tax rate was at 24.5% in FY22 compared to 26.9% in FY21. Profits after tax clocked ₹ 55,661 Mn in fiscal 2022 at a 12.5% margin as compared to ₹ 44,280 Mn at 11.7% in fiscal 2021.

Free Cash conversion to PAT for FY22 at 79.7% compared to 161.5% in FY21. The DSO increased from 92 to 97 year-on-year has strained the FCF to PAT conversions for FY22. Having said that we will continue to press for rigor and focus on better collections and in turn the cash scenario.

We continuously evaluate our sources of revenue on various parameters to manage the Global Economy, Geography, Sectors, and Key Client Concentration risks. We also track new vs. repeat client revenues as metrics to measure client satisfaction as well as monitor contributions from new business wins. From a vertical perspective, the higher business exposure in Communications vertical is more of a competitive advantage considering our future-ready capability, legacy, references and finally the demand scenario surrounding 5G. Our capacity to harness this coupled with a renewed focus on relentlessly adding new logos while also getting big-ticket wins in the year has helped reduce the concentration risk. The latest factsheet can be accessed [here](#).

### Acquisitions

With constantly evolving client needs, TechM's portfolio of offerings and capabilities requires a continuous effort to be ahead of the curve. In the past year, multiple opportunities presented themselves in our target domains, and we pursued M&As, although building in-house capabilities continue to remain our staunch focus. The Company has made 10 acquisitions which bolsters our portfolio for the future. Our acquisitions in FY22 include

DigitalOnUS, Eventus Solutions Group, Brainscale, Beris Consulting, Lodestone, WMW, Allyis India, Activus Connect, and Com Tec Co IT (CTC) and Swift Technologies & Surance.

The major areas of focus were Cloud, Digital Product Engineering, Customer Experience & Business Process Services. We have also made one of our largest acquisitions to date with Com Tec Co IT, a Latvia-based digital product engineering & OPD company in the Insurance space. Although our M&A spending has been high in FY22, however, it is aligned with our commitment toward a prudent and consistent capital allocation. We declared ₹ 45 per share dividend in FY22 similar to FY21 levels.

### Consolidated Financial Position

Please refer to Pages 425-525 for details & notes regarding the consolidated financials of the Company.

### Direct Economic Value Generated (GRI 201-1)

ASPECT	2018	2019	2020	2021	2022
Revenue	307,729	347,421	368,677	378,551	446,460
Other Income	14,165	5,342	11,924	7,871	11,123

(₹ Mn)

### Direct Economic Value Distributed

ASPECT	2018	2019	2020	2021	2022
Operating Cost					
Subcontracting Expenses	38,880	43,497	54,408	49,743	69,571
Employee Benefit Expenses	166,240	175,079	188,100	192,973	222,859
Payments to Providers of Capital (Banks, Dividends)					
Finance Costs	1,624	1,332	1,919	1,740	1,626
Dividends	9,438	14,907	24,917	17,594	39,813
Buybacks	0	0	17,879	0	0
Payment to Government (Tax Paid and Deferred Tax)	10,926	12,544	11,604	15,999	18,220
Current Tax	11,768	13,786	12,378	18,115	17,421
Deferred Tax	(842)	(1,242)	(774)	(2116)	799

(₹ Mn)

### Defined Benefit Plan Obligations

The bulk of our workforce is in India, and eligible employees of the Company are entitled to receive the benefits of the Provident Fund, a defined contribution plan where we do an equal contribution to the EPF at 12%. We also contribute to the Superannuation Fund and Employees' State Insurance Scheme (ESI), which are defined contribution schemes. These are charged to the standalone statement of profit and loss on an accrual basis. We ensure that the statutory requirements mandated by governments in the other 90 nations

where we are operational are met. We do not have a separate fund for this purpose.

There have been 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. We maintain appropriate internal control systems, which also provide reasonable assurance of recording the transactions of all material aspects of our operations and of protecting against significant misuse or loss of the Company's assets.

Our Chief Information Risk Officer (CIRO) and Chief Information Officer (CIO) provide governance and oversight for overseeing the Internal Control and Systems. We use Enterprise Resource Planning (ERP), Business Intelligence and Analytics solutions which enhance the internal control mechanism.

where we are operational are met. We do not have a separate fund for this purpose.

### Significant Indirect Economic Impacts

We have made the following investments over the last 3 years which directly benefit Employees, Suppliers and Vendors, as well as Local Communities and indirectly, benefit customers and shareholders.

- + Investments have been planned in our Noida, Pune, and Hyderabad locations besides additional investments to augment facility infrastructure in other existing locations

- + Development centres are proposed in multiple tier 2 cities with focused hiring in Bhubaneswar, Coimbatore, Vijayawada, Chandigarh, Kolkata, Thiruvananthapuram, Nagpur, and Indore with further plans to develop facilities in these centres
- + A new facility was inaugurated in Warangal and we leased a new facility in Kolkata
- + Apart from this, in the last 3 years, we have opened development centres internationally as well. E.g.: Timisoara in Romania, functioning as a hub for our European operations catering to new tech requirements in areas of 5G, Automation & AI

These investments across various centres domestically have resulted in creating a positive impact for our stakeholders. While many of these were expansion projects in existing facilities, some are investments made in new locations especially non-metropolitan tier 2/3 cities, a step towards realising our endeavour to deepen our footprint domestically. These projects will pave the way for a significant improvement of livelihood for local communities by contributing to long-term skill development directly and job creation both directly & indirectly. Apart from this, being local development centres catering to a global clientele, they help in generating significant forex for the country.

Moreover, these investments help us to directly exercise our commitment to being a socially responsible business entity by encouraging our employees to contribute through workshops, community drives, education & cleanliness campaigns both through the company and individually. Additionally, the Company also takes initiatives to reduce our environmental footprint by setting up infrastructure for solar to enable clean energy consumption within campuses, and investments in reusing waste and sewage water through recycling infrastructure.

**Tax Reporting**

**Disclosure 207-1: Approach to Tax**

Tech Mahindra has a responsible attitude to tax compliance and planning coupled with transparency in disclosure. We engage in efficient tax planning that supports our business and reflects commercial and economic activity. We do not engage in artificial tax arrangements. We are committed to adhering to tax laws and regulations of relevant countries/jurisdictions and seek to minimise the risk of uncertainty or disputes.

We respond to tax-related queries and audits in a transparent and timely manner. TechM is committed to paying tax which we are legally obliged to pay as and when it becomes payable. We utilise tax rulings, agreements, clearances, concessions or reliefs which are provided by the relevant governments.

All transactions between Tech Mahindra Group companies are conducted on an arm's-length basis.

**Disclosure 207-2: Tax Governance, Control and Risk Management**

The Taxation department is responsible for tax compliances and accountability within the organisation. To ensure that the tax approach and tax strategy are properly embedded in the organisation, we have a robust governance, control and risk management framework in place. As an organisation, we do not tolerate unethical or unlawful behaviour or any activities that compromise the organisation's integrity concerning tax.

We identify and monitor the risks concerning tax regularly. The monitoring is also covered as a part of timely statutory audits and internal audits carried out by independent auditors. Immediate actions are taken by the management to mitigate such risks and appropriate provisions are considered in the books of accounts in case any liability is identified. Tech Mahindra's tax accounting is externally audited and assured.

We have a robust mechanism in place for reporting concerns about unethical or unlawful behaviour regarding tax. We respond to tax enquiries and audits in a transparent and timely manner. We support the principle of greater transparency that increases understanding of tax systems and builds public trust. In all the jurisdictions it operates, TechM believes in reporting to the respective tax authority, information that is complete and accurate.

**Disclosure 207-3: Stakeholder Engagement and Management of Concerns Related to Tax**

We constructively engage with governments, tax authorities and regulators to resolve concerns related to tax across all the countries we operate in. We do not engage in public policy advocacy on Tax.

**Disclosure 207-4: Country by country reporting**

The tax jurisdictions where the subsidiary companies operate are reported on pages 233-243, Form No. AOC-1.



## Intellectual Capital

**Intellectual capital is the value of a company's collective experience and knowledge, business skills, training, processes, intangibles or any proprietary information that may provide the company with a competitive advantage. We deploy these resources in tandem with systemic innovation to drive profits, gain new customers, create new products and solutions, or otherwise improve our business and impact society.**

### Sudhir Nair

Chief Delivery Officer

"We are at the precipice of change, triggered unwittingly by the pandemic that ravaged the world. On one hand, the pandemic made us realise the frailty of human life, and on the other, it triggered breakthroughs that have the potential to change the way we foresee the future. The effective integration of emerging digital technologies will define this reinvention of business, a change that promises to alter the very fabric of IT going forward, one that is triggered by the likes of Quantum Computing, Metaverse, and Cognitive Artificial Intelligence.

At Tech Mahindra, the Makers Lab has been at the cutting edge of this change from the get-go. Whether it was finding a therapeutic molecule to attack COVID-19 or creating an SOS service app to help communities, or it is the latest research in the application of quantum machine learning, the team at Makers Lab has been working tirelessly to keep technology at the forefront, with our customers, partners, academia, and the government.

The year gone by has only reinforced our appreciation of the connectedness of society, and we believe that we must contribute to the future of our society's well-being. Our learnings are that trust is a two-way street and technology has a big role to play, the old must give way to the new, be it in technology or processes and business models must become flexible and durable for change and only through inclusive diversity can we bring out democratised innovation. Our proven strength in technologies, the experience of research in unconventional areas to explore high revenue potential and our engagement with the external ecosystem are the very cornerstone of our growth. We improved systems and processes as well as training to enable focus on co-creation with customers and built consistency in our startup engagement.


Our thrust in the early part of the year was the development of new Innovative solutions related to COVID, followed by a focus on creating a culture of innovation and driving revenue growth. We will continue to support our clients with our state-of-the-art approach to gain real-time insights enabling early detection of issues, and more resilient increased profitability. Technology is an enabler for nearly all areas of human progress, be it modifying agriculture, changing online learning, or something as advanced as putting our satellites in space. A significant part of our development of solutions is aligned with ESG, 'Make in India' and the UN SDGs.

While we present this compendium of our approach to innovation and indicative case studies, I remain upbeat about the change that is on the horizon."




At Tech Mahindra, “Innovation” is a conscious state of mind and is ingrained in our very DNA. We are committed to enhancing our culture of strategic innovation, through systemic shifts, processes and people to enable alignment with the rapidly evolving business and social environment. We strive to continuously improve the efficiency and effectiveness of our processes and operations and create new platforms, products, and solutions to cater to the evolving needs of our customers. Our approach toward innovation is based on experimentation, iterative learning, and growth which is supported by investments in resources for building a well-connected ecosystem that develops sustainable technologies. We work on a variety of real-world challenges for our business, our customers and society at large to develop innovative solutions.

Our innovation group through its vision and mission helps define the principles that align our innovation strategy and measurements which are crucial to our business. We embody our organisational purpose to leverage unconventional thinking by using cutting edge technologies to bring about a positive change. We do this by connecting and partnering with academia, businesses, and governments across the world. Our mission on smart machines includes solving intelligence at its primal level and then applying that intelligence to products and IPs. This involves solving AI through an approach to create a practical commercial model to be used internally and externally.



**VISION**

Connect with people and simplify their lives by creating experiences.



**MISSION**

Our mission is to build smart machines of the future. These smart machines include intelligence at its primal level and then applying that intelligence to products and IPs.

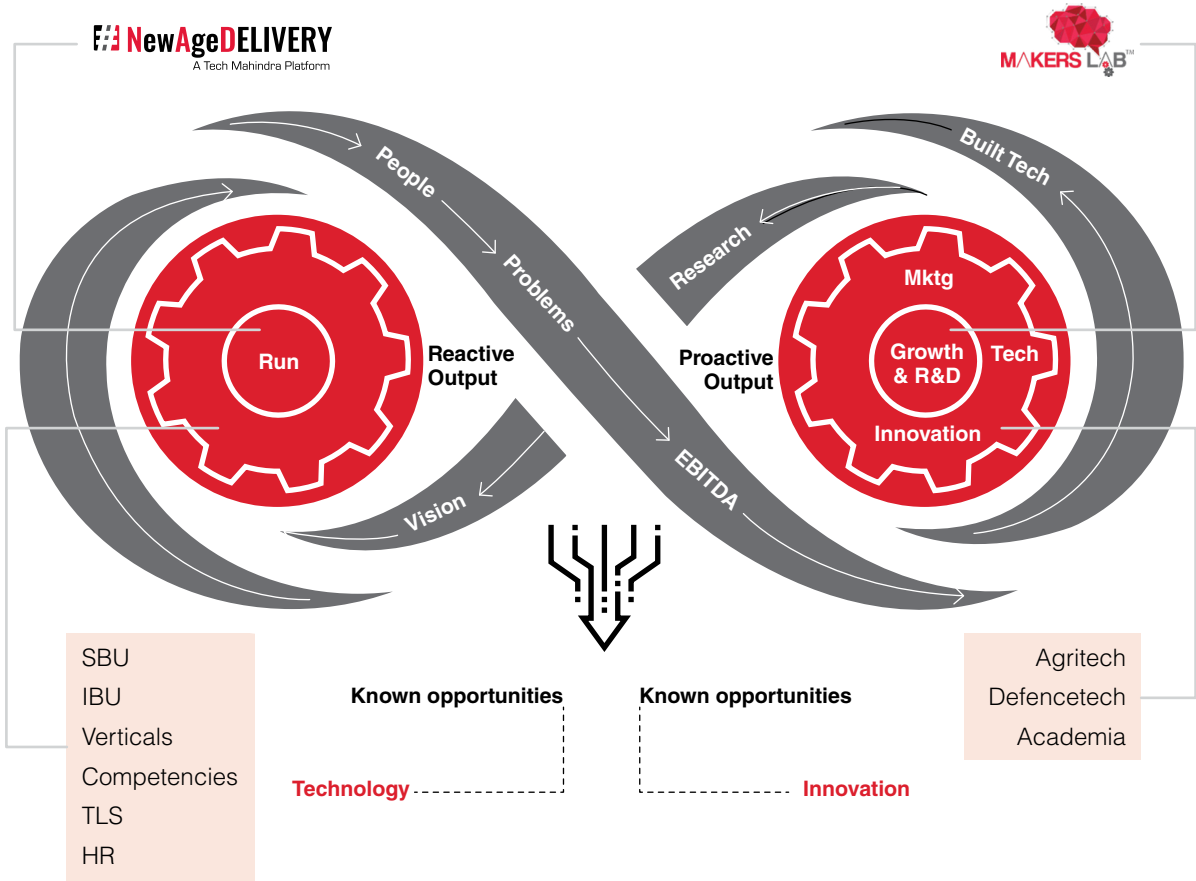
**RADIQaI** is our perception of the future and how technology would transform lives

- R** - Extensible Reality (Visualise, Perceive the world)
- A** - Act on Insights (Automation, AI)
- D** - Secure it using Distributed Ledgers and Blockchain
- I** - Sense it via IoT. (Machine Sensing)
- Q** - Extend beyond reality into the Quantum world (Quantum Computing)

**Curiosity Helps Us Drive New Frontiers in Business Innovation and Impact Society At Large**

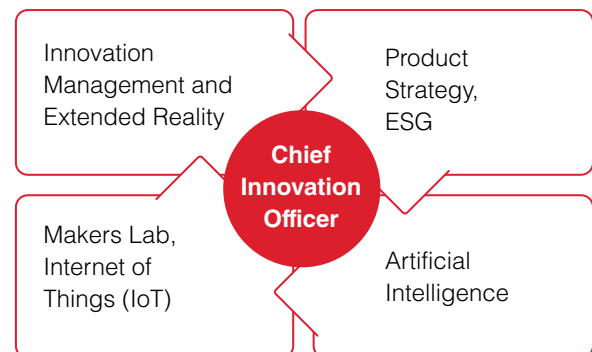
We apply practical and fundamental R&D to the problem statements to solve the challenges for today and tomorrow to build IPs and Solutions. Our focus is to accelerate the adoption of our IPs at scale across the organisation and customers. We enable real-time learning and knowledge-sharing to drive the scaling of best practices and proven approaches in partnership with a vibrant co-innovation ecosystem.

We catalyse collective action to help build technologies of the future. Philosophically, we focus on proactive problem-solving, practising the art of asking WHY with emphasis on innovation at the grassroots level and also on Tech4good.



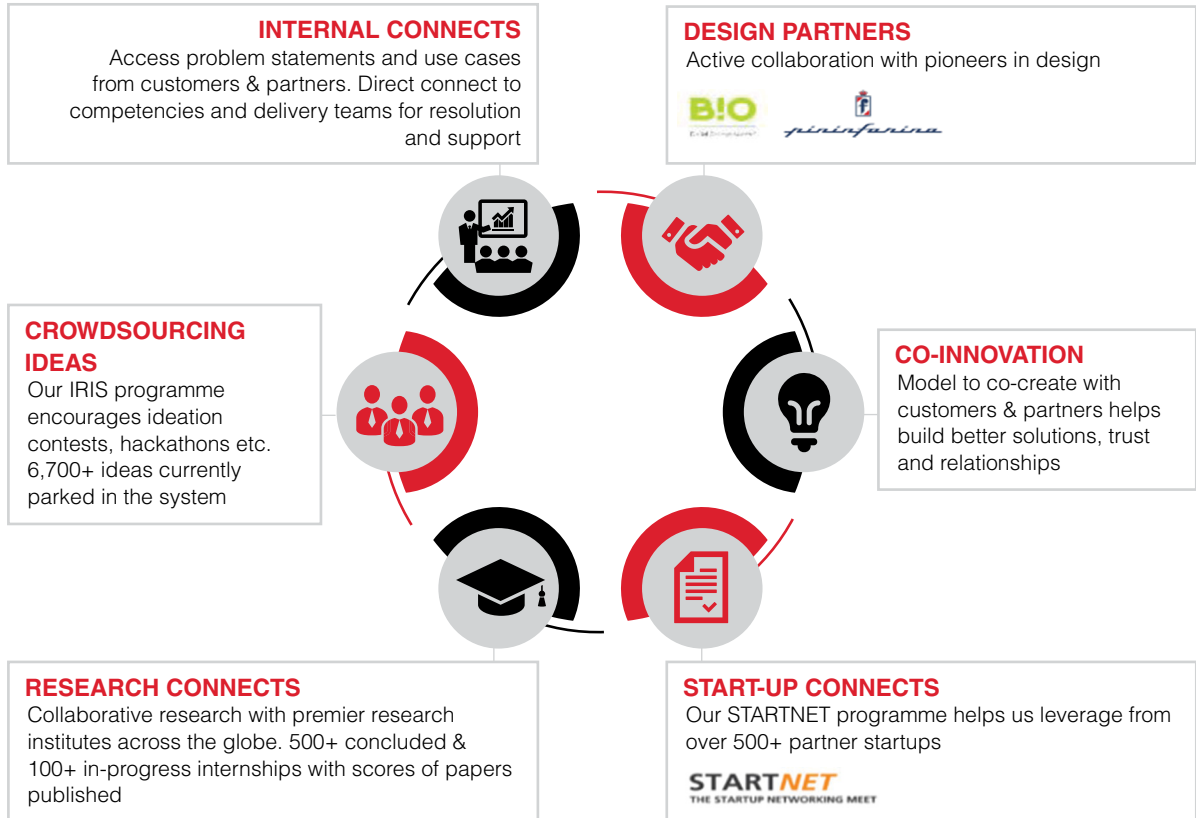
At Tech Mahindra, we use the Mobius Ring Model to build and maintain a competitive advantage and we believe it helps us deliver on the imagery of infinite opportunities. On one side, the focus is leveraging the traditional delivery structures such as SBUs, IBU as well as competencies across verticals on known opportunities. Here we leverage our technical expertise and experience to solve challenges, scale solutions and deliver to the bottom line. This is used to invest in our Makers Lab team which works on innovations to address unknown opportunities (new technologies like AI, XR and IoT) and domains like Agritech and Defence tech where we have relatively lesser experience. This is delivered through a collaboration ecosystem created by Makers Lab for R&D and to build technologies for creating commercial growth opportunities. Both aspects of our innovation strategy feed into each other to enable the organisation to both explore a wider variety of opportunities and exploit innovative muscle to generate value for customers and society at large.

Our Innovation function is structured to harness the strengths of our dedicated team, providing a framework to execute the strategy and manage its interfaces with multiple stakeholders. The Innovation Function is spearheaded by the Chief Innovation Officer, with teams for four distinct groups viz. Innovation Management and eXtended Reality, ESG, Internet of Things (IoT) as well as Artificial Intelligence.



**Innovation Framework**

Our innovation efforts are guided by the needs of our customers, our ESG goals, SDG ambitions, Government requirements, CSR beneficiaries as well as driving service delivery efficiency and impact. Thus, we directly impact purpose, performance, and people internally and externally. To facilitate a culture of innovation across the organisation and generate new revenues, we use a 360-degree approach of co-creation accompanied by active branding and communication across associates and customers.



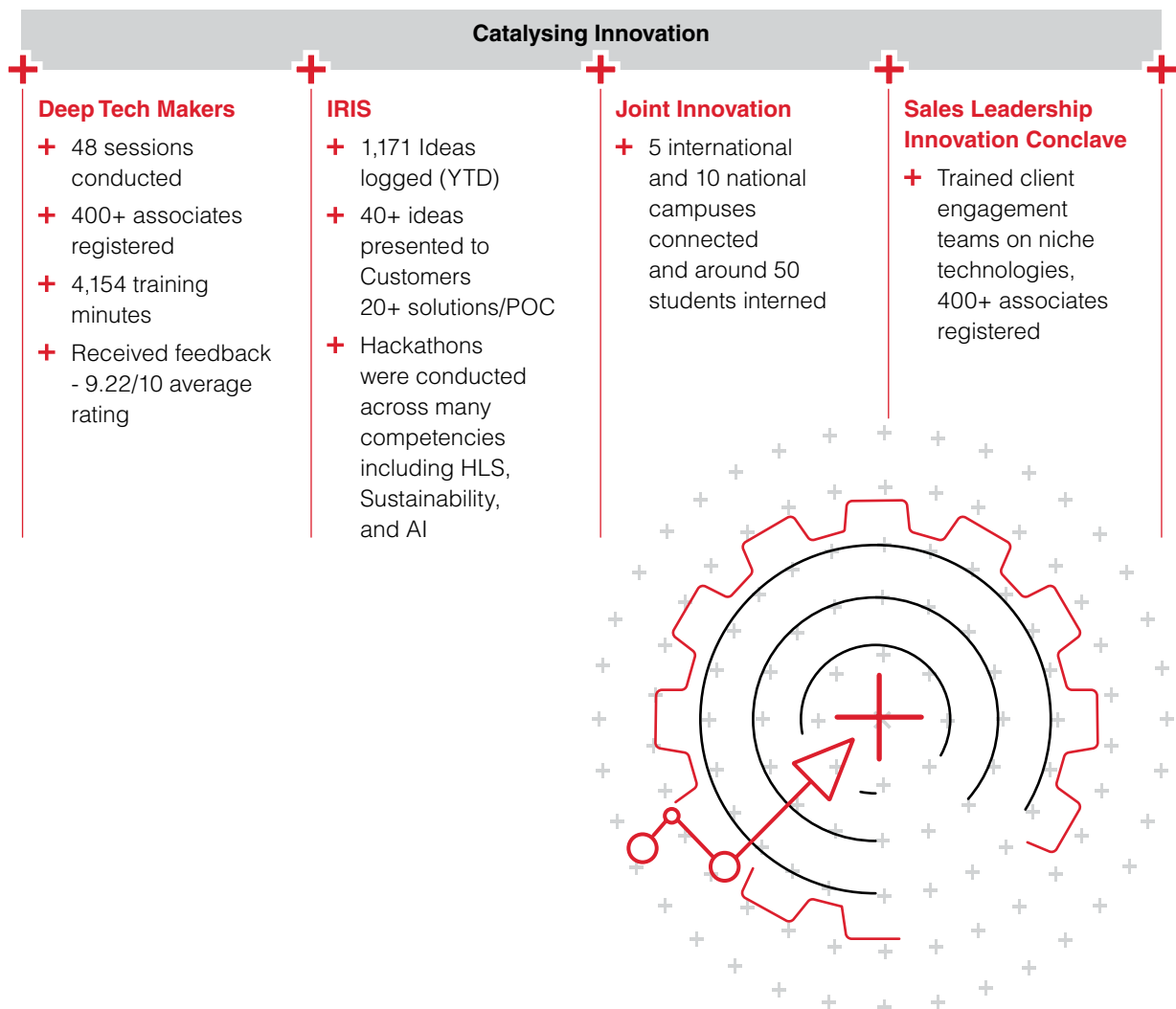
- + **Internal Connects:** We partner with internal stakeholders in the delivery organisation across TechM competencies. Client partners source customer problem statements and connect customer stakeholders while SBUs and VBUs execute delivery, programme management and escalation handling for client-approved programs
- + **Crowd-Sourcing Ideas and Solutions:** IRIS (Ideate, Refine, Implement, Shine) is at the heart of this effort where we engage with associates and various external partners. The process involves ideas generation review, qualification, demonstration of ROI followed by associate and partner Rewards and Recognition
- + **Research Connects:** Support and align research teams, develop, and incubate new service offerings by setting up COEs, support curriculum development and offer internships to build an Innovation culture
- + **Start-up Connects:** Our STARTNET programme ensures networking between innovative start-ups and TechM to explore opportunities for collaboration. This helps us accelerate innovation by delivering path-breaking solutions co-created within this ecosystem. We also incubate promising start-ups like Technodune (IoT) and AA+ Testing Solutions (Med Tech) to support their GTM
- + **Co-Innovation:** Co-innovation with the customers by establishing dedicated COEs as Makers Lab for Innovation for specific customers which help build longer and stronger relationships

The TechM Executive Leadership helps finalise the technology focus areas and helps in aligning Innovation and Organisation goals. They also ensure that there is adequate investment in financial and talent resources, Software, Hardware and IPR Protection as well as through the creation of labs at multiple locations for building localised innovation ecosystems. We also actively partner with industry and government bodies like World Economic Forum (WEF), NITI Aayog, NASSCOM, Austrade, etc. to establish thought leadership and evaluate GTM options.

We have a well-established process across the Innovation Life Cycle. We identify co-innovation opportunities through the identification of customers and workforce who are inclined towards new technology areas. Using design thinking and a first-principles approach, problem statement resolution leads to Joint-GTM opportunities. This is done through

needs prioritisation, identification of use cases with associates and our collaborative ecosystem including government, academia and businesses to develop prototypes. Based on feedback on prototypes, pilots/production leverages different approaches. The participants include customers, the innovation team, Makers Lab/Competencies/Verticals, associates SMEs, client partners etc.

Given the dramatic shift in the work environment that was necessitated by the pandemic, our 360-degree approach helped us to respond to the situation very swiftly and come up with solutions for all our stakeholders. All customer meetings became virtual, POCs were converted into videos and work/project management was done through collaborative softwares. Hackathons were conducted virtually as were training sessions for both Deep Tech Makers and the Sales Leaders Innovation Conclave.



**Makers Lab – Response to Pandemic at Warp Speed**

Sustainable thinking is embedded across people, processes, and technology to drive innovation at the Makers Lab – Tech Mahindra’s R&D Centre. Our people driving innovation include diverse teams and individuals across spectrums of diversity which is extended to students across schools and colleges through formal training and mentoring. Our approach is guided by “Holacracy” (de-centralised and autonomous functioning) giving complete control of ideas and processes to the innovators with the flexibility to don multiple hats. The absence of a typical hierarchical structure leads to faster implementation of ideas and focus on futuristic solutions. Makers Lab creates an ecosystem to tinker with disruptive technology in partnership with academia, research, government, and businesses including start-ups to help build the enterprise of the future.

Makers Lab played a pivotal role in fighting the global crisis by collaborating and developing various tools with relentless efforts and exhibited great agility despite physical challenges. The Makers Lab teams spread over 6 active locations and an upcoming one in Australia collaborated over virtual tools with marathon calls sometimes spilling over 24 hours to contribute to and fight the global crisis. Activities that commenced in FY21 have continued in FY22 as well.

Though COVID management and solutions were not originally a part of our functional strategy, it was the need of the hour for society at large and was a key thrust for working on notable COVID impact initiatives as under:

- + Research on protein comparative analysis
- + Identify amino acid motif in the receptor-binding domain of spike protein-2 of COVID-19
- + Computational modelling and screening for re-purposing
- + Analysis of 22 FDA-approved drugs+ GRAS agents for COVID-19 antagonists
- + Validation of 3D bio-printed Human Cell Vascular Lung

**Molecular Modelling and Screening for Repurposing Drugs for the Treatment of COVID-19** - The molecule discovery paper was published in BioRxiv and full patenting is in process.

As part of our goal to build a thriving culture of innovation across the firm, we use a metric called the SBU Innovation Index to quarterly measure and track innovation at the business unit level. We use a weighted average across parameters including achievement versus targets for the number of ideas and new solutions pitched to customers besides others measuring the liveliness of our external ecosystem. We look at the number of

partners identified, and projects executed across participants from industry, academia and startups. In addition, thought leadership initiatives like webinars participation, whitepaper submission, and patent applications are also assigned specific metrics and weights. Overall, the customer connects and thought leadership areas have a 70% weightage in the SBU Innovation Index.

Though we are not a direct delivery unit with a traditional interface with internal and external customers, we do have defined feedback mechanisms that incorporate addressing any specific grievances. The Tech Mahindra Leadership shares periodic feedback on skills set improvement and customer co-innovation. Our Client Partners provide inputs on our IPs, customer, and market-based technology areas while the SBUs and VBUs provide production-based feedback on our IPs. Additionally,

the latter also provides insights on scaling solutions, as well as functionality and features that can be built into our IPs. Read more <[Manufactured Capital](#)>. For external stakeholders, our partner universities share insights on current skills available with the student fraternity while startups enhance our agility in developing new solutions. Focus on new technologies and engagement with various industry forums provide inputs on peers and other industry leaders.

## Other Highlights

### Some More Innovations by Makers Lab

#### **Panchang (Indian Almanac): Intelligence for Long-term Weather Prediction**

While short-term weather predictions exhibit a great deal of accuracy, it is dismally low for longer-term horizons.

Recognising this need and leveraging new-age technology coupled with traditional knowledge, we are launching a Weather Channel soon. This shall provide forecasts based on multiple sources — Panchang, the IMD as well as data from IoT-connected devices, sensors and other instruments. We are publishing the results in relevant journals for validation.

We believe that this API and Weather Channel will be relevant and useful in multiple areas, such as agriculture, insurance, banking and finance besides building infrastructure etc.

#### **Atmanirbhar Krishi App**

The Principal Scientific Advisor to Govt. of India launched the "Atmanirbhar Krishi" App and Kisan Mitr Platform for 140 Mn Farmers of India which is also replicable globally.

This is a very simple, easy-to-use app which is zero-input, zero-cost for farmers, and is available in 12 Indian languages. It contains detailed scientific parameters and information on their applications while allowing multi-platform information sharing and features such as text-to-speech.

The App is available for use for farmers, start-ups, Krishi Vikas Kendras, Self Help Groups or NGOs and has garnered excellent feedback from KVKs across India.

#### **ENetra**

In the world we live in today, there is an urgent need for energy management and conservation.

ENetra allows real-time monitoring of energy consumption data, ensures efficient usage and billing and allows multiplatform compatibility. The analytics on power usage helps identify and estimate energy-saving opportunities as well as track progress.

The solution is customised based on the client use case and is supported throughout the installation, implementation, and maintenance phases.

**BHaML (Bharat Markup Language):** The language of education for advanced learning like, HTML coding has been English which is the biggest barrier for Indian children from underprivileged sections. With a vision to teach HTML coding to every Indian child, we have developed a novel coding solution called BHaML. This enables children to code without any special hardware or paid software, in their native languages such as Hindi, Marathi, Odia, Gujarati, Bangla, Punjabi, Kannada, Telugu, Tamil, Malayalam, and now even Maori.

Community Impact – We conducted a 'BHaML Yatra' to increase our outreach to as many schools and students as possible. Over a month, many towns, and cities across the states of Maharashtra, Delhi and Punjab were covered.

#### **Highlights of the Yatra:**

- + 7,000+ Kms, 50+ Schools/Institutions connected
- + 2,000+ teachers attended the BHaML Introductory session
- + 50,000 students used the BHaML tool

**E-dressing Suite:** Customer walk-ins in retail stores especially in the garments and fashion industry outlets had drastically come down during the pandemic.

We built an AR application (Android/Web) to provide a virtual trial room facility for a leading apparel maker to provide an in-store experience to increase their sales.

With this application, consumers can easily 'try' and preview their outfits on their own 3D model virtual avatar. Users can view their outfits from various angles creating a complete trial room experience.

**Achievements**

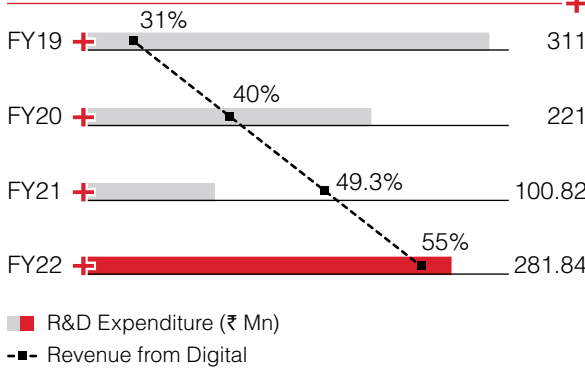
- + Atmanirbhar Krishi App launched with Principal Scientific Advisor for 14 Crore farmers
- + People's Healthcare Registry for the Tamil Nadu Government partnering with Google
- + Makers Lab finds therapeutic molecule acting against COVID-19
- + Avasant evaluated Tech Mahindra for services in Quantum Computing
- + World Economic Forum considers Makers Lab as a case study for collaborative R&D
- + Fellowship in Responsible AI

**Awards**

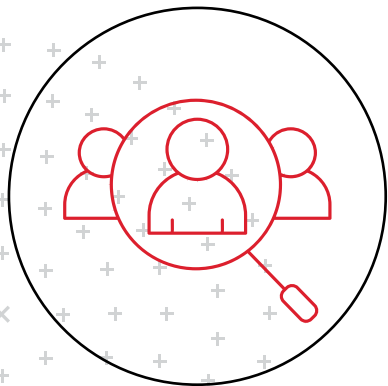
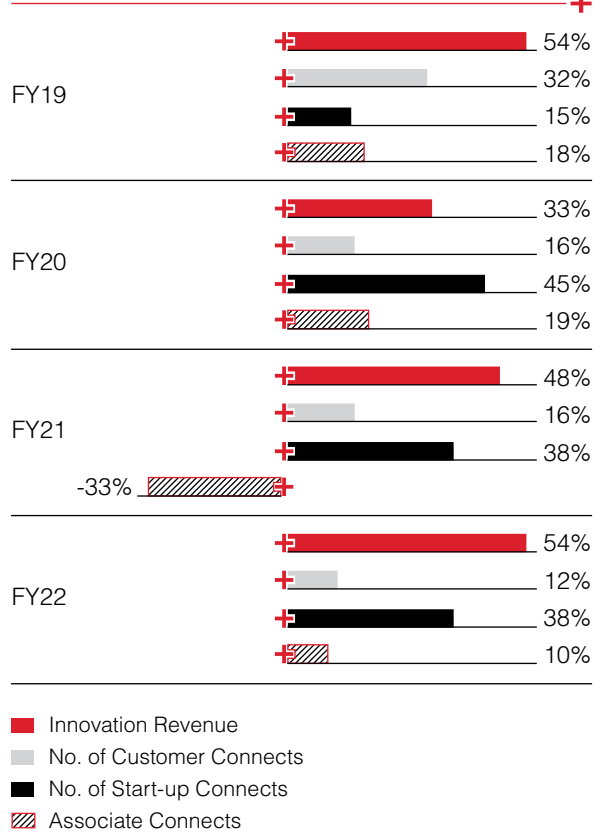
- + CSS Corporate Startup Award as Innovation challenger joining the league of 25 world's best in terms of Open Innovation
- + CII 25 most innovative companies of India 2021 - by DST in India
- + Smart Innovator Award for CINO (Chief Innovation Officer) by Dynamic CIO Awards, 2021
- + VOLVO India Innovation Award for Vetturino and ENetra solutions for Fleet management
- + Mahindra Innovation Award for BHaML

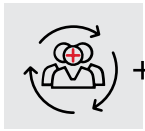
**Key Performance Indicators**

**R&D Expenditure**



**Ach vs Target**





# Human Capital

## Harshvendra Soin

Global Chief People Officer and Head Marketing

We managed the dual challenges of 'pandemic' and 'war for talent' by being purpose-led, people-centric and performance-driven.

### Measuring What Matters

We are consciously moving away from a 'rear-view mirror perspective' to focus on the NOW. We have nurtured a performance-driven culture in which business strategies will change with the emergence of new business patterns, which will drive changes in the operational behaviours of managers and associates. Managers look at performance as an enabler for value creation and 360-degree productivity. We also look at measuring what matters with top 500 leaders following an OKR-driven approach with outcome-oriented key results and collaborative goals for higher transparency. This change starts right from the top where we have implemented a real-time Performance Management System for leaders supplemented by coaching and data-driven analysis to drive a high-performance culture.

### Talent Supply

We continue to focus on skill-based hiring across emerging technologies, leveraging a digital-first strategy to address post-pandemic business challenges. We have increased hiring across all levels, especially at 'the bottom of the pyramid', to improve the tech quotient of the firm and diversify our talent pool. When shortlisting people, we prioritise skills over qualifications and look for the 'right attitude' which is the ability to learn and motivational fit. Through initiatives like NXT.Towns, we are hiring from tier 2 cities across India while using the nearshoring approach globally by increasing hiring in delivery centres across Eastern Europe and Latin America. We have hired more women in remote working/hybrid working roles which has led to a significant jump in the gender-diversity ratios.

### Associate Upskilling

With the economic boom and growth in digital business, there is a pressing need to transform the workforce both at speed and scale. We have therefore accelerated our skilling initiatives to keep up with the pace of technological developments and build a 'future-ready, talent pool. #NAD Learn our AI-based platform is helping associates with interactive, on-demand, contextual and hyper-personalised up-skilling to become full-stack professionals. We have supplemented this with young leadership development programs as well as new policies to promote niche skilling and fast-track career growth.

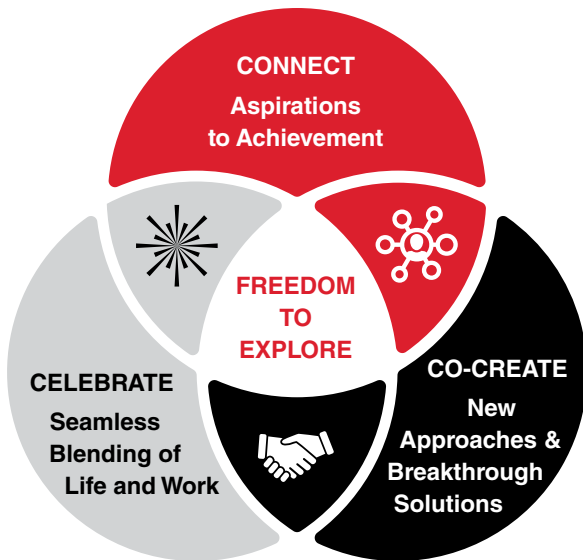
### Employee Engagement & Retention

TechMighties have the flexibility to work from anywhere. In this hybrid work environment, creating that 'wow' moment comes by creating human-centric experiences at work. We ensure that we communicate transparently, offer world-class learning opportunities, encourage giving back to society as well as customise our benefits and incentives offerings. This is reinforced by an inclusive culture where everyone is treated equally, with dignity and is given their fair share of resources to succeed. Focussing on diversity helps us foster innovation, address critical needs and become a purpose-led company.

These 4 levers have helped us align Purpose, People and Performance to build a future-ready workforce.



**Employee Value Proposition (EVP)**



TechMighties Rise every day to drive positive change in the lives of stakeholders. They have the 'Freedom to Explore', so they can experiment and embrace new opportunities to Connect, Co-create & Celebrate.

- + CONNECT:** Provide early leadership opportunities and learning avenues that connect associates' aspirations to achievements.
- + CO-CREATE:** Foster a culture of co-creation by encouraging associates to do new things and new ways of doing old things to drive positive change.
- + CELEBRATE:** Make celebrations a way of life to seamlessly blend life and work and celebrate each moment.

**Employee Engagement with a Purpose**

'People Engagement' is part of our core business strategy, NXT.NOW™. As a people-driven company, staying connected with associates, knowing, understanding, and responding to their needs and expectations is an organisational priority. We are committed to driving positive change in the lives of every associate, customer and external stakeholder while enabling organisation growth. We will do this by creating customer-centric and purpose-led human experiences in a healthy and inclusive environment where they can celebrate each moment. We give employees access to best-in-class technology, learning avenues, and work opportunities and empower them to build business solutions by fostering innovation with meaningful work.

We engage with the associates on key dimensions such as their wellbeing, professional aspirations, inclusions, and purpose. We share authentic and honest information with our associates that are rooted in TechM's values and we transparently communicate our strategy and growth priorities. All the people processes at TechM go through a well-being audit to identify stress points for associates which are then addressed proactively. Using digital collaboration tools, we were able to recreate the office experience at the convenience of home creating virtual 'watercooler' moments for a hybrid workforce.

Making Sustainability Personal (MSP) and Individual Social Responsibility (ISR) are Employee Engagement Initiatives that help our associates define purpose. MSP helps integrate sustainability into day-to-day lives of the associates. ISR provides associates opportunities to engage meaningfully by volunteering for causes that they are passionate about.

**JOSH - Celebrating Fun!**

Josh is the heartbeat of TechM. It is a voluntary group formed by 'life enthusiasts' who organise fun, delight and connect activities across different locations of TechM. Each location has Josh teams dedicated to Culture, Sports, Adventure, Movies and Quizzing. They organise events for charity, cheer, and challenges with the common thread of driving positive change in the lives of associates and their family members. In a hybrid workplace, virtual events like Virtual Summer Camps, Kahoot, Yoga etc. were organised specifically for 'family connect' ensuring that the extended Tech Mahindra universe can also celebrate with us. On average, 1,000+ volunteers contribute over 60,000+ hours to JOSH!

**TC-SI-330a.2: Employee Engagement as a Percentage**

TechM CARES is our employee engagement framework that tracks progress across five key facets of associate experience – Career, Alignment, Recognition, Empowerment and Strive. The annual TechM CARES survey measures associate experience and provides an insight into workplace strengths, weaknesses and year-on-year improvement to the management. Over the years, these inputs have defined our policies, strengthened our practices and enhanced our everyday processes. The action planning feature in the survey is a step towards collaborative decision-making that influences aspects such as job role, work environment, new practices and the direction of the company as a whole.

The survey for FY 2021-22 was carried out in December 2021 and logged in an impressive score of 4.58 on a 5-point rating at org level (IT and BPS together) this year – the highest ever since the inception of the Survey, thanks to the enthusiastic participation from associates globally.

**TC-SI-330a.3: Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees**

**Disclosure 102-8: Information on Employees and Other Workers**

**Legend:**

Junior Management	U Band
Middle Management	P Band
Senior Management	E1 & above
Sales	RG Band

**Employee Breakdown by Gender & Category for TechM (Global)**

CATEGORY	FEMALE	MALE	NOT DECLARED	GT
Jr. Management	40,887	69,828	56	110,771
Middle Management	1,806	11,892	4	13,702
Sr. Management	81	936	0	1,017
<b>Grand Total</b>	<b>42,774</b>	<b>82,656</b>	<b>60</b>	<b>125,490</b>
<b>Third-Party Contractors</b>				<b>3,331</b>

**Employee Breakdown by Gender & Age for TechM (Global)**

CATEGORY	FEMALE				MALE				NOT DECLARED				Grand Total
	18 - 30 Yrs	31 - 50 Yrs	51 & above	TOTAL	18 - 30 Yrs	31 - 50 Yrs	51 & above	TOTAL	18 - 30 Yrs	31 - 50 Yrs	51 & above	TOTAL	
Junior Management	28,471	11,942	474	<b>40,887</b>	35,813	32,662	1,353	<b>69,828</b>	23	28	5	56	<b>110,771</b>
Middle Management	50	1,516	240	<b>1,806</b>	94	10,127	1,671	<b>11,892</b>		3	1	4	<b>13,702</b>
Senior Management		54	27	<b>81</b>		524	412	<b>936</b>					<b>1,017</b>
<b>Grand Total</b>	<b>28,521</b>	<b>13,512</b>	<b>741</b>	<b>42,774</b>	<b>35,907</b>	<b>43,313</b>	<b>3,436</b>	<b>82,656</b>	<b>23</b>	<b>31</b>	<b>6</b>	<b>60</b>	<b>125,490</b>

**TC-SI-330a.1: Percentage of employees that are (1) foreign nationals and (2) located offshore**

Employees by Nationality	Number of employees	Share in total workforce (as % of total workforce) *	Total Mgmt	Share in all management positions (as % of total management workforce) *
IND	1,02,279	81.50	11,576	87.29
PHL	7,473	5.96	103	0.78
USA	2,929	2.33	516	3.89
MEX	1,606	1.28	36	0.27
GBR	966	0.77	132	1.00

\*these are approximate numbers

Location	Head Count	%
Offshore	96,384	76.81%
Onsite	29,106	23.19%
<b>Total</b>	<b>125,490</b>	<b>100%</b>

### Employee Wellness

Our culture of driving positive change is embodied in our ‘Wellness Before Business’ mantra and expressed through #WellnessFirst initiatives. TechM strives to ensure the collective and holistic well-being and safety of our entire ecosystem of associates, customers, and partners. Our ambition for a happier, healthier, and more productive workforce is at the core of our business, policies, and decisions. Our people development agenda for nurturing and

retaining talent incorporates wellness into various aspects of employee engagement, development, and retention.

Our Wealth of Wellness (WoW) programme ensures preventive, personalised, and proactive holistic wellness across all 8 dimensions of wellness including physical, mental, emotional, and financial. To scale internal wellness infrastructure, the central WoW team regularly interfaces with functions like HR Policies, Learning and Development, Diversity and Inclusion, HR Technology and Transformation as well as the CIO and Makers Lab – for tech enablement. Our goal is a beautiful symphony between both the Human & Technology that will enable diverse and holistic wellness opportunities for associates in a hybrid workplace.

#### WELLNESS POLICIES

Bereavement Support for dependents (COVID Support) Policy, Sabbatical Leave Policy, COVID Special Leaves, Vaccination Reimbursement Benefit, Home Quarantine Benefit under Insurance and additional coverage in AWT

#### WELLNESS OFFERINGS

Health Checkups, Employee Assistance Program, Doctor Tele-Consultations, Specialists on Location, Online Pharmacy, Dietician on Chat, Home Sample collection facility, Wellness content (audio/video/blogs)

Additionally, localised teams drive wellness initiatives at their locations for better penetration, adoption and engagement for associates and their family members. This team includes Business HRs, Wellness Warriors, Location Councils, Corporate Services and Business Unit leaders who help create greater impact. This wellness focus is backed by a dedicated Wellness budget and infrastructure along with tie-ups with medical professionals. During the pandemic, this manifested through COVID-related initiatives like Quarantine Facilities on Campus, COVID Testing stations, collaborations with Diagnostic labs, Doctor Tele-Consultations and TechM’s Associate Wellness Trust (AWT) fund that supported associates & families for medical emergencies.

- + Communication** - Mind Plan (Daily doses of Emotional Well-being Tips), TechM Coronicles, Weekly Wellness newsletters, WoW Video Channel for wellness videos etc. COVID Microsite was created specifically for providing the right resource updates to curb misinformation. Regular Medical and Travel advisories are shared globally for associate health and safety.
- + Engagement initiatives** - Weekly Virtual discussions with global experts enable holistic well-being, Wellness Challenges, virtual marathons, People Care Manager programs etc. Additionally, campaigns on ‘Love To Be TechM’, Wellness Before Business, Rewards and Recognition for Super Collea, Work-Life Balance Heroes, Manager/Reportee Appreciation etc.

The communication and engagement initiatives are designed to be preventative, creating a sense of ownership and a culture of collective well-being. Besides associates, their family members are direct beneficiaries of our wellness policies and offerings. These include access to Wellness Service Providers (e.g. Medibuddy), Medical and Travel Emergency Support (International SOS), Medical Insurance as well as hospital and pharmacy tie-ups with special

privileges. Our customer and partner ecosystem has significantly benefited from our sustainable wellness policies which enable business continuity in a hybrid work environment.

We believe that emotional wellness is one of the most essential aspects of an individual. Our array of Employee Assistance Programs help associates deal with mental and emotional challenges while balancing

their professional and personal lives. Counsellors helped associates manage stress and anxiety, while medical professionals guided themes like work-life balance, parenting, relationship building and conflict management. Since family safety was a concern with mortality as well as prolonged time-off we offered medical and financial assistance, child education support, job opportunities, upskilling options & more. Additionally, grief counselling was organised for associates & families of associates who succumbed to COVID.

As a purpose-driven organisation, TechM worked towards community well-being by partnering with NGOs and the broader healthcare industry. TechMighties to contribute back to society through the Individual Social Responsibility (ISR) programme which aligns individual purpose to community well-being.

Feedback is collected through 'Voice of Employees' endeavours like wellness surveys, one-on-one conversations, direct interactions during Wellness Meetings and Freevoice (an internal platform to get feedback anonymously). These suggestions are focused on service experience, designing wellness frameworks, and product/service enhancements and supplemented by indirect feedback from location-specific Wellness Warriors.

To build effectiveness in our programs, we undertake quantitative analyses (utilisation, user experience feedback etc.) as well as qualitative analyses (critical categories of concerns, usage patterns and behavioural patterns). We also actively benchmark with competitors and peers as working with external sources helps us identify best practices that align with our internal feedback and ensures future-proof strategies.

### Some of our Wellness Initiatives

"Wellness 101 Challenge" – where Wellness Meets Fun and "Run Anywhere Virtual Marathon" – a fun way to engage in At-Home Exercises. These programs had fitness activities like Virtual Marathon, Walkathons, Surya Namaskars & Weight Loss challenges.

+ 11,000+ associates participated and 200+ associates were recognised and rewarded

+ Mind Plan – Making mental well-being a habit through daily tips and audio/video/blogs to enhance one's emotional well-being & improve self-care practices

+ Emotional Wellness Self-Assessment Tool to gauge stress levels, understand critical areas of improvement and connect with a counsellor

+ Financial Independence Awareness Programme – Monthly aids & financial calculators for managing personal finances, improving savings, emergency fund creation, financial management for women & tax management along with webinars from leading experts & certified financial advisors

People Care Manager Programme – An initiative to train managers by connecting them to Emotional & Mental Wellness experts. This created better team leaders, a positive workspace and emotionally resilient teams.

+ Some themes included– Adopting empathetic leadership, breaking biases during remote working, curbing stress levels in teams, and managing productivity

Awareness Programmes for Managers, COVID warriors, associates and family members to create a positive workplace experience for their teams

+ 12,000+ managers & COVID warriors were trained on Adaptability, Breaking Biases, Conversation Training, Mindfulness, Stress & Anxiety Management & more

Women Wellness Initiatives – Approaching inclusivity through wellness by monthly expert interventions on women's health concerns and life-stage challenges. Doctor teleconsultations with experts are also available for women associates.

#BreaktheBias was the theme on Women's Day with a focus on financial, physical and psychological well-being.

**Impact and Achievements:**

WoW, Central Team is supported by 11 pan-India local teams and 8 Regional teams. During the second wave of COVID, the wellness team grew by 100+ volunteers, 400+ COVID Care Team members, 12,000+ People Care Managers and 3,000+ 'Wellness Warriors' (comprising associate volunteers) joining hands to provide proactive COVID assistance. WoW has helped touch more than 52,000 lives in the last financial year.

Some key impacts of our wellness journey are as follows:

- + Bouquet of tech-enabled gamified solutions for healthier habits and greater engagement
- + Creating a Wellness Menu for a personalised & 360-degree wellness experience
- + Building in-house wellness capabilities like MHealthy, Marathon App, Aasana Chatbot etc.

- + Increasing the healthcare network coverage via wellness tech-enablers
- + Enabling friendly solutions for underprivileged or vulnerable communities
- + Incentivisation of wellness rewards to keep the engagement high
- + Associate wellness advocacy results in a positive impact on hiring

More than 32,000 associates engaged in our Wellness initiatives and 250+ associates were supported by the Associate Welfare Trust fund with medical financial assistance. 7,700+ email communications, 400+ engagement activities (of which 150+ were linked to mental wellness), 190+ video aids (of which 70+ linked to mental wellness). The wellness engagement experience ratings are 4.7/5.

**Leveraging the Power of Technology**

**MHealthy:** A comprehensive next-gen solution powered by AI/ML to enable data-driven digital diagnostics that enables real-time reporting. The solution seamlessly connects health providers with associates while tracking and monitoring their overall well-being. It provides scalable results through a real-time dashboard and enables audio/visual teleconsultation. The solution features are certified and clinically tested, it is also cleared by the CDSCO (Central Drugs Standard Control Organisation). [Watch](#)

**The Wealth of Wellness (WoW) Portal**

One-stop solution for all wellness needs: Access to wellness information, self-help tools and benefits.

- + Virtual training & awareness programs
- + Self-help tools like Emotional Wellness Test
- + Regular communication on physical & emotional well-being with healthy tips via Mind Plan journeys, People Care Manager programs
- + Aasana chatbot on desktops to enable better ergonomics while working from home or office
- + Fitness Apps for associates to perform & monitor Try-At-Home exercises

**Scale, Reach and Effectiveness**

Wellness tools and platforms for associates to thrive and excel.

- + Wellness initiatives for fitness and weight loss when enabled via technology have helped increase participation & engagement by 57.1%
- + Overall adoption of virtual wellness services increased by 2.5 times
- + Cost-effectiveness in wellness programs. E.g., the EAP programme has seen a 50% decrease in cost with the adoption of online counselling enabled via Chat/Video/Audio

## Talent and Skill Management

### Recruitment Strategy

Building top-performing teams begin with recruiting the right talent that aligns with the core culture of the organisation. Our recruiting process is a combination of various internal and external fulfilment strategies. We have a very low recruitment agency dependency and have generated significant savings through proactive hiring, building college campus relationships and increasing our geographical hiring footprint.

**Proactive Hiring:** The central recruitment team hires full-time associates based on forecasted demand. We engage early with different college campuses by conducting hackathons, Tech-Gig quizzes and campus hire engagements.

**Buddy Referral:** A structured programme that helps TechM recruit through existing associates' recommending talent from their existing networks. Associates can submit referrals against all Lateral Open Demands through our RMG Buddy Portal for which they are appropriately rewarded.

**NXT.Towns:** This is our initiative to grow TechM to Tier 2 & 3 cities across India with appropriate skill clusters according to talent availability. Expansions have been made in Bhubaneswar, Chandigarh, Kolkata, Nagpur, Thiruvananthapuram, and Visakhapatnam while Coimbatore and Vijayawada offices are ready to start. Besides expanding our talent access footprint, this also gives our associates a chance to transfer and work closer to home.

**Career Acceleration Policy:** Skill-based allowance framework which embeds upskilling in our DNA, encouraging job rotation, skills leveraging and providing Special Niche Skill Allowances. Upskilled associates can opt for current openings and job

rotation through the TechM internal job portal Talex. Additionally, associates who upskill and rotate into a role at a higher level can benefit from fast-track promotions.

### Learning & Development

We strongly endorse the belief that skill is the new currency as we go about creating a Future-Ready organisation and characterise our approach through the democratisation of Learning, giving our associates the freedom, choice, and onus for continual learning.

We have built Ai-enabled, digital new-age learning ecosystem - NAD Learn to facilitate scale and speed of learning while ensuring best-in-class learning experience. This platform provides interactive, on-demand, contextual upskilling of associates in self-service mode aimed at developing Full-Stack/full-cycle professionals with access to world-class content and assessments in collaboration with leading learning vendors and alliances. The platform has 1,000+ SKUs (Skill Knowledge Units) across technical, domain, professional, behavioural and leadership competencies with curated learning paths.

We have also launched various Learning Academies, COEs and Finishing Schools for super-specialised and Niche Upskilling.

We have a relentless focus on revolutionising learning methodologies through innovative approaches and deploying technology-enabled pedagogies. These include Individual, Group and Peer Coaching through Deep Dive (a live coaching workshop on real-time challenges); Habit Builder (systematically build a growth mindset), game-based simulations; Qubit Thinking – interactive learning etc.

We have three specialised learning functions deliver learning edge to the organisation.

### Learning and Development

#### Technical Learning services

(Technology, Domain, Professional Delivery, Process and Framework)

#### Leadership Learning services

(Soft Skills, Behavioural & Leadership and Life Skills)

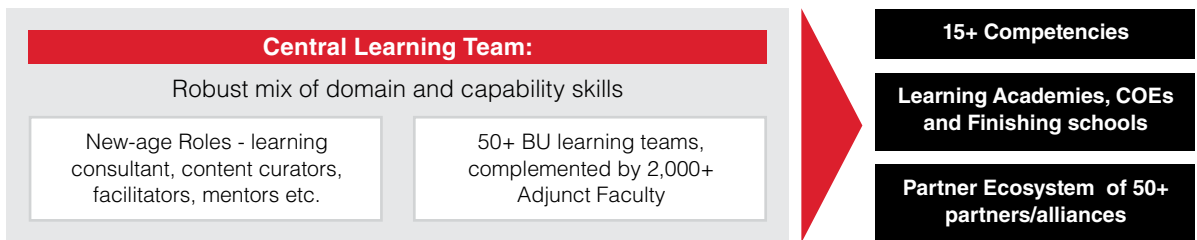
#### Sales Learning

(Sales Skills)

**Technical Learning Services (TLS)** caters to capability development across technical, domain and professional competencies. It is responsible for driving workforce transformation by continuously upskilling associates in rapidly changing technological landscape for both - current business needs as well as for future business growth. TLS also continuously enhances new-age learning ecosystem to meet changing needs of the organisation and

associates and to improve learning experience and ease of learning.

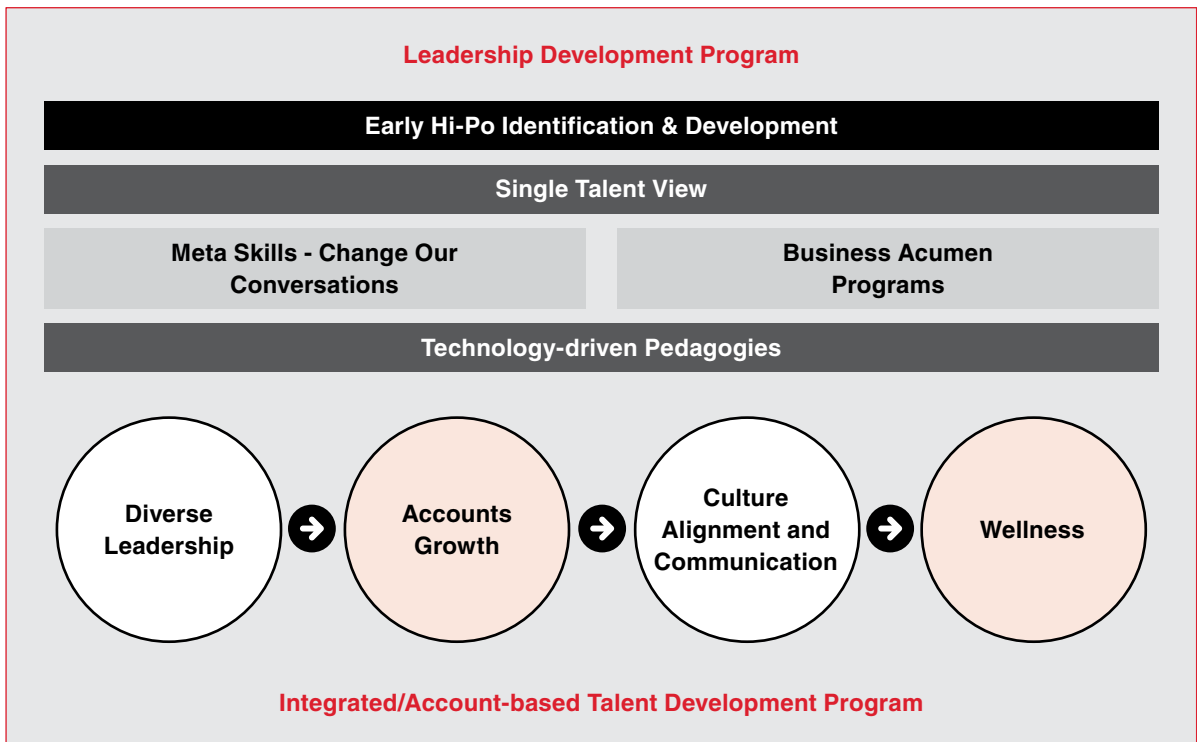
TLS Team operates in federated structure with a centralised team taking care of org-wide learning programs, learning ecosystem and policy and dedicated learning teams for each business unit (for real-time and personalised learning interventions) to deliver the highest quality upskilling and specialisation.



**Leadership Learning Services (LLS)** caters to capability development for behavioural and leadership competencies and cultural alignment. LLS team imparts hard and soft skills needed by our associates and leaders to amplify their performance and accelerate growth. It aims to create an Integrated Leadership Talent Ecosystem and provide Digital Leadership pipeline for NOW and the Future. It also

delivers holistic wellness (emotional, mental and physical) programs for the associates, Leaders and their families.

We have been operating leadership learning support through an “as a service” model based on business needs.



We have also tied up with the Harvard Manage Mentor SPARK platform providing the latest and best leadership and management content as a highly personalised experience. We are intensifying our focus on future by embedding Meta skills like Critical Thinking and the “Leader As A Coach” programme to empower leaders for transformational conversations.

**Sales Enablement** learning team cater to sales capability development. It has become increasingly important for the Sales function to be able to engage in a technology-led business conversation with the

customer. Besides training the Sales leaders, we recognised this as an opportunity to disrupt the traditional Sales recruitment process. We designed a unique program, Sales Cadre to identify young talent with an aptitude for sales and train them in Sales and Customer Facing Skills.

Together, the learning functions play a strategic role in the achievement of business goals and associate career aspirations and have transformed significantly over the past few years to meet changing needs of the organisation and learners.

### Disclosure 404-1: Average hours of Training per Employee per Year

The average training hours across TechM Limited (IT+BSG) is 58.97

CATEGORY	FEMALE				MALE				NEUTRAL				Grand Total
	18-30 Yrs	31-50 Years	Greater than 50	Total	18-30 Yrs	31-50 Years	Greater than 50	Total	18-30 Yrs	31-50 Years	Greater than 50	Total	
Senior Management		11.73	17.39	13.62		17.55	11.94	15.22					15.09
Middle Management	43.52	31.06	24.12	30.62	36.27	28.97	22.20	28.17					28.50
Junior Management	82.31	39.77	32.64	70.09	79.76	36.15	22.15	59.09	56.38	6.46	12.95	26.14	63.13
<b>Average</b>	<b>82.23</b>	<b>38.61</b>	<b>29.39</b>	<b>68.32</b>	<b>79.64</b>	<b>34.17</b>	<b>20.94</b>	<b>54.15</b>	<b>56.38</b>	<b>6.46</b>	<b>12.95</b>	<b>26.14</b>	<b>58.97</b>

### Disclosure 404-2: Upgrading Employee Skills

We endeavour holistic upskilling of associates across technical, domain, professional, behavioural and leadership competencies thus grooming well-rounded professionals with an entrepreneurial and solution-oriented mindset.

- + Technical learning avenues/Programs: Includes programs like FutureSkilling for new-age technologies, like Blockchain, AI, Cloud, AR/VR etc. and Project Skilling for commodity skills
- + Domain learning avenues/programs covering 15+ domains like Discrete Manufacturing, Telecom, BFSI, HLS, TTLS, E&U etc.
- + Professional learning avenues/programs covering roles like Programme Manager, Architect and delivery methodologies like Agile, Devops, ITIL etc.
- + Leadership Learning avenues/programs like Chrysalis (include individual development plans for senior leaders), Global Leadership Cadre (Budding young leaders from premium colleges), Women Leadership programme (WLP), 1000 Leadership Program, Architect CoE , EMBARK (Development of Programme Managers), etc. aims at developing leadership pipeline.

- + Transition Learning avenues/programs like Emerging Leaders Booster Programme (for senior management), First Time leaders and Business Players (newly promoted to senior management level) to simplify the process of transition
- + Sales and Pre-Sales Learning avenues/programs like Sales Cadre, Leap, SCALE, etc. cater to building the robust sales force

In addition to various self learning and standard learning programs, our learning teams also deliver customised and personalised training programs to facilitate business requirements in timely and economic manner.

Our Learning ecosystem supports continual upskilling of associates throughout their journey in the organisation and ensures enhanced employability, career progression/transitions and job satisfaction across levels, needs and functions.

This year, we revised our learning policies like training contribution incentive as well as external training and certification reimbursements to make them user-friendly and motivate associates to upskill.



### **Disclosure 404-3: Percentage of Employees Receiving Regular Professional and Career Development Reviews**

TechM's Performance & Succession Management process helps differentiate high-potential talent with a 3-level performance rating scale, transparent career mobility process and performance enabling conversations that focus on outcomes. We have a multi-layer reporting structure for each associate and have processes of 360-degree feedback and associate satisfaction surveys.

TechM's natural culture of empowerment was supercharged during the pandemic as employees took ownership of their deliverables and leaders at all levels were a part of the decision-making process. Through the PMS process, TechM is providing a safe environment for employees to get candid feedback, and discuss pain points as well as areas of development in line with their career aspirations that would lead to their career growth.

#### **Performance Process**

The first step towards achieving a high-performance standard is setting the right expectations at the very beginning. TechM has linked the PMS process to the cascading of the unit, workgroup and individual level goals from the organisational objectives, to ensure alignment of the goals right from the organisational level up to the individual level. These career aspirations are captured online in the Ide@s platform and are shared with internal teams to use as inputs during training allocation, project allocations, and onsite opportunities. After goal setting, we conduct periodic performance reviews against the identified Performance Goals for individuals/workgroups/functions. While performance feedback discussions between Managers and team members are expected to happen regularly, formal performance evaluation happens twice a year, through the mid-term review and an annual performance review. The entire performance management lifecycle is digitised through our Ide@s (Individual Development Enabling Appraisal System) application which is used as a centralised system for the execution, tracking and maintenance of the performance management process. The platform uses an auto-escalation mechanism to enforce the adherence to timelines for performance evaluation with negligible overruns. We ensure fairness through Reverse feedback (Manager feedback shared with skip-level Managers), Manager Change feedback (on account of Manager change and mandatory Performance Review discussions. Promotions to higher roles happen as part of the

annual performance review and are based on both performance and potential rather than seniority by way of a promotion eligibility grid. Having a cloud-based platform for performance management helped us remotely operate PMS for a majority of the organisation without any logistical issues during the pandemic. Successors at TechM are identified at both the Group level (through the Mahindra Group Talent Management process) as well as the company level (through the Ide@s platform). 100% of all eligible associates have been appraised.

#### **Leadership Performance**

We have adopted a monthly continuous performance assessment process for our Leadership team to meet the dual objectives of achieving financial numbers as well as improving long-term strategic health. This is in line with our Talent-to-Value approach for business leaders whose 'continuous' executive coaching, as well as performance & potential development, are critical for business success.

#### **Rewards and Recognition**

Timely recognition is key to creating a successful organisation with a happy workforce. We nurture a culture of mutual appreciation and sharing. Our robust digital platform ensures both recognition and appreciation. The rewards are designed to be relevant and comprehensive. They can be encashed for experiences and gift vouchers. Associates can also share their joy with their colleagues (gift a leave) and donate reward points to social causes through the 'Individual Social Responsibility' programs.

'Kudos' is Tech Mahindra's social portal to acknowledge individual/team contributions, congratulate each other, and thank peers. This one-stop platform brings recognition to the "Desk of every Associate". The peer-to-peer SPOT award is a mechanism to enable and encourage associates to recognise peers. Long Service Awards are conferred upon associates who have completed milestones of working for 5 years and beyond in increments of 5 years. This celebration includes additional time off, cash incentives, service certificates, personalised messages from leaders and a gift voucher to celebrate with their families.

Business Heads and the HR teams have access to MIS reports making sure that the deserving associates are being recognised in a fair, transparent and timely manner. This year, 56.49% of associates were recognised in the combined monetary and non-monetary categories while over 22,000 associates exchanged wishes and appreciation.

## Employment Practices

We enrich the organisation's strength by attracting the best available talent. We engage with leading educational campuses for our hiring activities while also offering rewarding opportunities to experienced professionals. There is no seasonal variation in employment at Tech Mahindra.

We are committed to providing a holistic employment experience to associates with the flexibility to balance

professional and personal commitments. We have policies and processes in place that enable flexi working and help our associates incorporate a work-life balance. The Business Hours and Allowance policy and the Work From Home policy on our internal site help facilitate a seamless work-life integration for our associates

The percentage of open positions filled by internal candidates in 2021-22 is 46.90%.

## Disclosure 401-1: New Employee Hires and Employee Turnover

We retained 65,058 new hires in 2021-22, with 24,221 women, 40,807 men and 30 associates who did not share their gender details.

CATEGORY	FEMALE				MALE				NEUTRAL				Grand Total
	<=30	31-50 Years	>=51 Years	Total	<=30 Years	31-50 Years	>=51 Years	Total	<=30 Years	31-50 Years	>=51 Years	Total	
Senior Management		7	5	12		141	55	196					208
Middle Management	26	451	38	515	36	2,480	355	2,871					3,386
Junior Management	18,140	5,302	252	23,694	24,417	12,726	597	37,740	22	6	2	30	61,464
<b>Grand Total</b>	<b>18,166</b>	<b>5,760</b>	<b>295</b>	<b>24,221</b>	<b>24,453</b>	<b>15,347</b>	<b>1,007</b>	<b>40,807</b>	<b>22</b>	<b>6</b>	<b>2</b>	<b>30</b>	<b>65,058</b>

Annualised quarterly attrition is computed on "LTM" last twelve months. IT attrition for FY22 at 23.5%

Grade	Attrition
Junior Management	24.3%
Middle Management	21.2%
Senior Management	15.9%

Gender	Attrition
Female	24.6%
Male	23.2%

Age	Attrition
<30	24.4%
30-50	23.8%
>50	12.6%

## Disclosure 401-2: Benefits provided to Full-Time Employees which are not provided to Temporary or Part-Time Employees

Benefits are provided to our full-time, fixed-term contracts (FTC), and part-time associates based on the entitlements mandated by the law in the countries where we operate. Flexibility benefits like Leave Travel Allowance, Meal Card, Telephone Reimbursement, Car Lease/Rental, Fuel and Maintenance Reimbursement, Driver's Salary Reimbursement, Superannuation and National Pension Scheme (NPS) as well as Employee Stock Option Plans (ESOPs) are only provided to permanent associates. Gratuity, which is a mandate under the Indian law, is given as a lump sum to an associate leaving the organisation after rendering continuous service for not less than five years in the company.

## Long-Term Incentives

Long-term incentives are given to associates who have been with the company for more than 5 years.

The benefits to the associates include a Certificate, congratulatory plaque, and a Cash award to celebrate their association with the company, additional leaves linked to the number of years served and variable pay linked to individual performance measured throughout the year. Employee Stock Options (ESOPs)/Restricted Stock Units (RSUs) are given to those qualifying under performance criteria along with a reward for their niche, critical and long-term roles in the organisation. The Company has taken targets on material topics in the Sustainability Roadmap which are added to the Balance Score Cards of Function leaders and cascaded to their respective teams to ensure completion. The monitoring, implementation

and achievement of these targets are considered while Stock options (Employee Stock Options (ESOPs)/Restricted Stock Units (RSUs) are being given as a long-term incentive to associates.

**Disclosure 401-3: Parental Leave**

Our leave policy ensures that all permanent associates are entitled to maternity leave of 6 months and paternity leaves of 5 days. Child-care facilities are available across all our major campuses and the policy covers child adoption as well as childbirth through surrogacy. We also have a Sabbatical Leave Policy which gives associates the flexibility to take time off work so that they can cater to any Personal / Family exigencies, Higher Education / Personal development, Personal Wellness Programme or Community Service.

For 21-22	Associates who Availed Parental leave as on Mar 31, 2022	Associates who Returned to work after Parental Leave as on Mar 31, 2022	Associated who did not rejoin after parental leave as on Mar 31, 2022
Maternity Leave	1,414	688	28
Paternity Leave	2,982	2,946	2

Note: For the remaining employees, their leaves continue into FY22

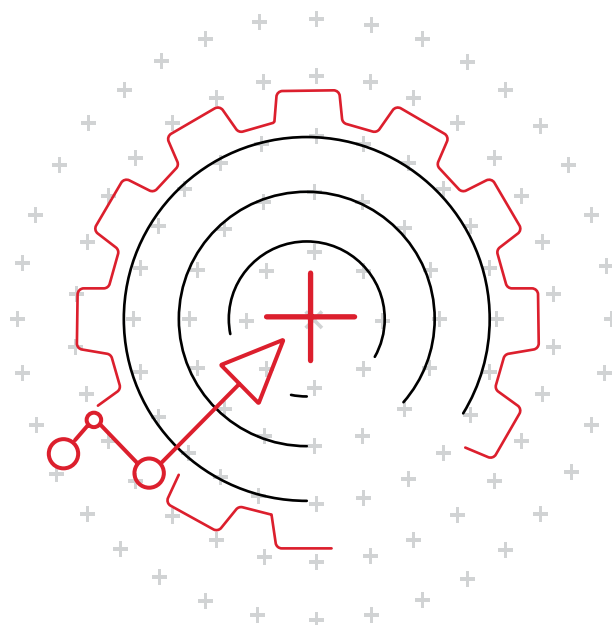
**Employees who remained with the Company 1 year after Parental Leave**

	Associates who availed parental leave in 2020-21 as of Mar 31, 2021 (Nos.)	Associates Active after a year, i.e. on Mar 31, 2022	Retention rate
Maternity Leave	510	220	43.1%
Paternity Leave	2,546	1,469	57.7%

**Diversity & Inclusion**

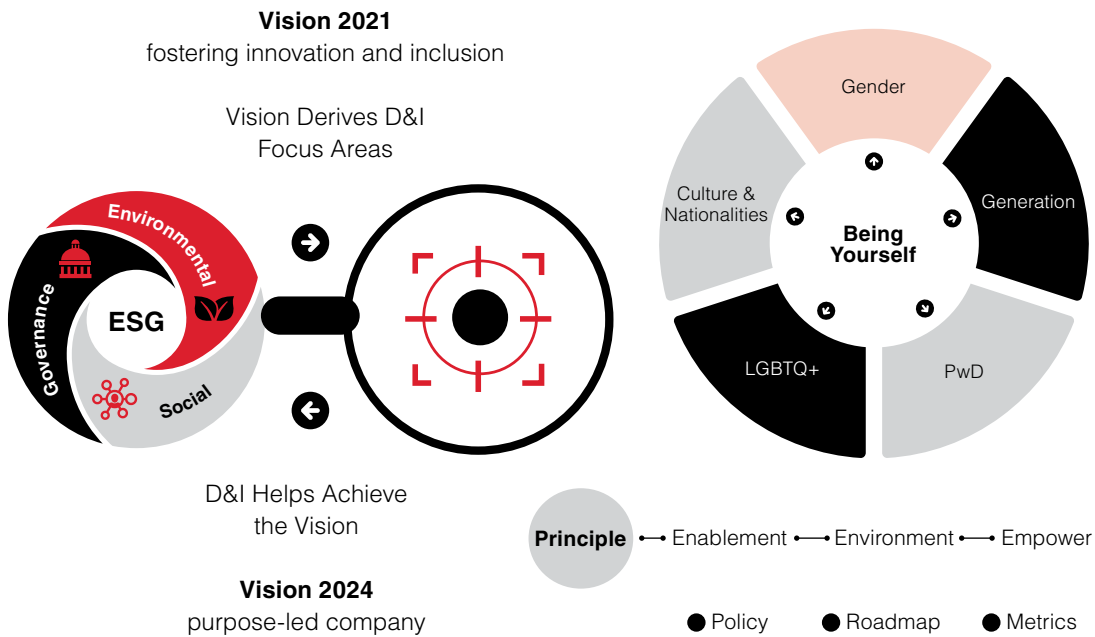
We value and celebrate the uniqueness of every individual by fostering an environment of inclusion and empowerment. We are an ‘intentionally diverse and naturally inclusive’ organisation. Diversity forms the core of our strategy and is embedded in our DNA. We have taken the COVID-linked reset in “business as usual” as an opportunity to improve our diversity representation. We are expanding our flexible working options to attract talent from different strata of the society to give us ‘diversity of thought’ as we work on innovative solutions for a post-pandemic world.

Our D&I agenda covers the associates and extends to the communities and stakeholders across the business value chain i.e., customers, suppliers, and communities. We provide equal opportunity to be hired and heard. We have policies and practices to meet the needs of all stakeholders: the parents, the kids, the LGBTQ+ community, new mothers, people of different nationalities/ages/sex, persons with disabilities (PwD), underprivileged communities etc. In alignment with our Rise™ philosophy, CSR programs of employability are empowering young girls and women as well as persons with disabilities.



We foster innovation and inclusion by focusing D&I efforts in the areas of gender, generation, PwD, LGBTQ+, Culture, and nationalities. The earlier vision 2021 was about fostering innovation and that comes from 'diversity of thought'. The new Vision 2024 is about creating a purpose-led company. For being purposeful, it is important to concentrate on the ESG - Environmental, Social and Governance aspects. Diversity and Inclusion is critical to improve the Social aspect of ESG. Hence, the organisational business strategy is tightly linked to its improvements in Diversity, Equity, and inclusion parameters. The team leverages the principles of Enablement, Environment and Empowerment to encourage associates to embrace the philosophy of 'Being Yourself'.

**D&I IS CORE TO OUR BUSINESS**



Gender	Generation	PwD	LGBTQ+	Nationalities and Culture
<ul style="list-style-type: none"> <li>+ Women Leaders Program</li> <li>+ 50% of women hiring from campus mandate</li> <li>+ Junior TechMighty</li> <li>+ Flexible working hours</li> <li>+ Zero tolerance for sexual harassment</li> </ul>	<ul style="list-style-type: none"> <li>+ Shadow Board</li> <li>+ 1,000 Leaders</li> <li>+ LEAP</li> <li>+ Ascent</li> <li>+ Transcend</li> <li>+ Connect with the CEO and Reverse Mentoring</li> <li>+ Opportunities for people from different generations to learn and share knowledge</li> <li>+ Josh</li> </ul>	<ul style="list-style-type: none"> <li>+ Equal opportunities employer</li> <li>+ Conducive workplace for people with all abilities</li> <li>+ Accessible Infrastructure</li> <li>+ Creating opportunities for people with disabilities</li> </ul>	<ul style="list-style-type: none"> <li>+ Sexual reassignment surgery policy</li> <li>+ LGBTQ+ communities</li> <li>+ Inclusive restrooms</li> <li>+ Insurance healthcare and leave benefits for same-sex Partners</li> <li>+ Right to comply with any dress code policy</li> </ul>	<ul style="list-style-type: none"> <li>+ Hire local talent</li> <li>+ Craft policies &amp; practices that are localised to suit regional laws</li> <li>+ Awareness sensitisation, learning workshops on different cultural differences and overcoming cultural barriers</li> </ul>

The <Diversity and Inclusion Policy>helps ensure diversity across geographies and levels within the organisation. This is implemented through a 3-year diversity and inclusion roadmap. Our Leaders have diversity-linked KRAs. Defined metrics such as gender pay ratio, women in leadership, associates who left post-maternity, women associates in leadership positions and succession plans are reported to the Board of Directors each quarter.

Diversity is driven at a strategic and cultural level and we have constituted a 'Diversity Council Constitution' to address the diversity-related needs of the organisation. Leaders practice active listening and promote a culture of openness amongst our diverse

and multigenerational workforce. We are continually enhancing our initiatives and awareness campaigns and actively participate in workshops/sessions to define DEI policy and training content.

**Disclosure 405-1: Diversity of Governance Bodies and Employees**

Diversity of governance bodies and associates enables a better work environment, empowers the organisation's culture, increases efficiency and productivity, and allows diverse perspectives to flourish. There is a 33% representation of women in the Board of Directors and 36% are women in governing bodies.

NO.	GOVERNING BODY	NUMBER OF ASSOCIATES		
		MALE	FEMALE	TOTAL
1	Sustainability Council	6	0	6
2	POSH Committee	17	28	45
3	Health and Safety Forum	10	1	11
4	Diversity Council	11	34	45
5	Location Council	266	110	376
	<b>Total</b>	<b>310</b>	<b>173</b>	<b>483</b>

We have a target of increasing the total number of women in the organisation to 37% by FY 2025-26 and % of women in senior management to 12% by FY 2025-26.

The representation of women across functions and levels is represented below:

Diversity Indicator	2017-18	2018-19	2019-20	2020-21	2021-22
% Women in the organisation	30.17	30.725	31.05	31.75	34.09
% Women in all management positions	11.57	11.87	12.57	15.09	17.17
% Women in junior management positions	11.78	12.06	8.81	17.94	20.37
% Women in top management positions	7.32	8.68	12.81	8.08	9.28
% Women in revenue-generating management positions	10.92	11.09	11.43	14.38	13.32
% Women in STEM-related positions	-	-	-	25.5*	27.56

\* Tracking women by STEM positions (Science, Technology, Engineering and Math) since FY21

**Disclosure 405-2: Ratio of Basic Salary and Remuneration of Women to Men**

We are an equal opportunity employer. Across Tech Mahindra, we recruit both men and women on an equal salary ratio. Our remuneration is linked to the performance of the individual and company business. Our compensation philosophies and processes do not include gender as an element in decision-making. We only look at the associate qualification, skill and proficiency while selecting any candidate.

Employee Level	Category	Ratio
Executive	Base salary	0.95
	Base salary + others	0.95
Management	Base salary	0.95
	Base salary + others	0.94
Non-Management	Base salary	0.98

**Occupational Health and Safety (OHS)**

Ensuring a safe working environment positively impacts employee morale, increases efficiency, reduces operational costs, and reduces people-related risks. This enables a healthy, productive and stable workforce and directly impacts the bottom line.

At TechM, the health, safety, and well-being of one and all are of utmost importance and a critical part of our success. Our focus on #WellnessFirst exemplifies our approach to health and safety in the form of Wellness Before Business. We firmly believe this helps in driving associates' loyalty and commitment to the organisation and its objectives. Ensuring OHS, protecting lives, and promoting a safe working environment is imperative for the sustainable development of businesses. For us, the health, safety, and well-being of all are at the core of our business. Besides our customers, associates and vendors it also ensures compliance and is extended to other key stakeholders including the government and our communities. We strive to use technology as a key enabler in meeting our OHS objectives.

Our OHS framework ensures we have an effective and efficient way of protecting associate lives and minimising and preventing workplace accidents, injuries, hazards, medical illnesses, and death. The framework also ensures that we remain compliant

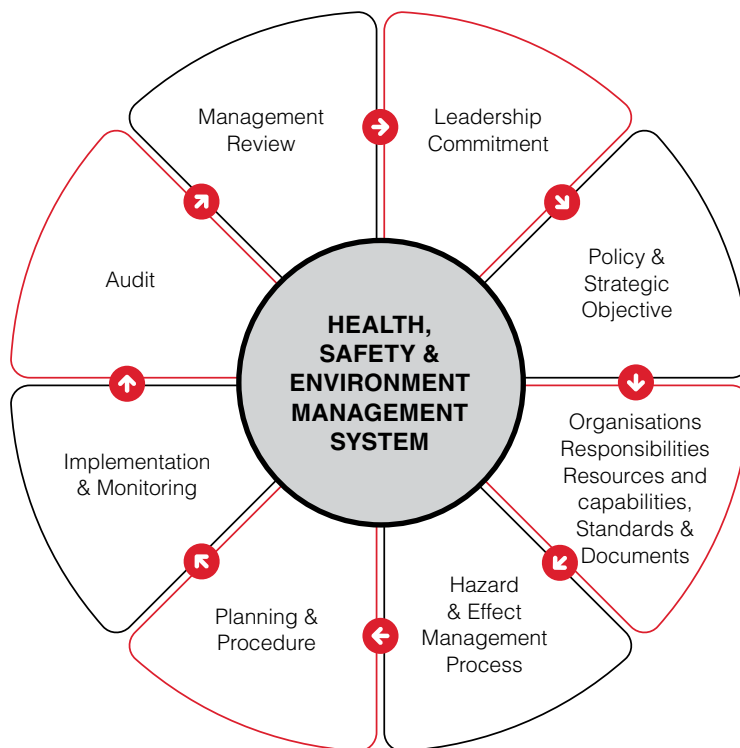
with the legal laws and regulatory requirements.

The framework is supported by an HSE policy that highlights our philosophy and commitment to the management of key HSE aspects. Our Health, Safety, and Environment (HSE) is certified to ISO 14001 and ISO 45001 standards.

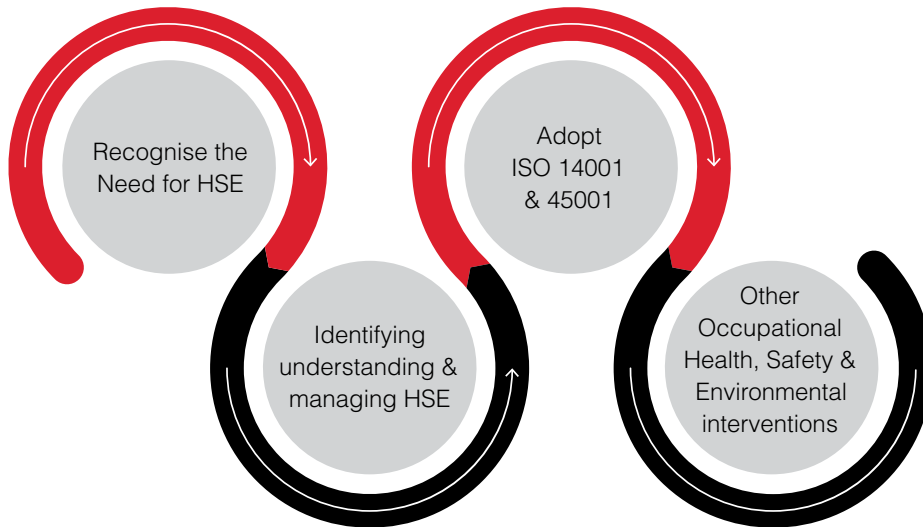
The scope of HSE at TechM includes all operational activities including associates who are full-time associates, contractual workforce, support staff, and vendors. The safety and well-being of all people associated with us are accorded the highest priority. Risk assessments are conducted and reviewed periodically, which enables the identification of areas that need special intervention/consultation.

**Management Approach**

The need for an effective and efficient HSE framework for identifying, understanding, and managing HSE is understood and driven across all levels of the organisation. We actively identify external and internal factors in the context of all our stakeholders and thereby impact the HSE Management System. Our strategic objectives, allocation of responsibilities and process ownership keep in mind the needs and expectations of relevant parties (Associates, Support Staff, Vendors, Customers, Government bodies, and others).



A robust management system is in place to ensure that management objectives are met, sustained, and consistently improved. We adopted the ISO 14001 (Environmental management systems and ISO 45001) which are international standards detailing requirements related to health and safety management systems. This enables us to control our risks and improve our performance. These standards have been identified as the most relevant standards that could be adapted to meet our requirements.



At TechM, we are committed to providing and maintaining a healthy, safe workplace by:

- + Eliminating hazards and reducing risks
- + Providing and maintaining safety equipment
- + Appropriate, timely, and regular safety training

We have periodic reviews of our objectives, targets, and HSE Management Systems to ensure their adequacy and effectiveness and conduct operations to ensure culture and values. Promoting the consultation and participation of associates/ contract staff is also an important part of the process for TechM. This incorporates our aim to protect and prevent any adverse impact on the environment and comply with applicable legal requirements. Improving environmental quality, by minimising waste and emissions, reusing and recycling, reducing the use of natural resources, and promoting pollution prevention efforts is an integral part of the HSE framework. You can read more about these initiatives in the [<Natural Capital section>](#) of this report.

We engage with Associates and Third-party support staff to seek their feedback and ensure involvement in various aspects of HSE like risk assessment, determining and implementing controls, driving continuous improvement, and others. TechM uses

various forums such as, but not limited to, Freevoice, Connect Meetings, Floor Walks, and Workshops among others for these interactions.

As a part of the HSE management framework, we at TechM have top management representation and commitment to our HSE objectives with well-defined roles and responsibilities. We have invested in and ensured access to the right resources such as manpower, infrastructure and technology. The effectiveness and adequacy of the HSE framework and its execution are also subject to regular management reviews. Our framework ensures that we identify all the applicable legal and other regulatory compliances, maintain a Legal Register and ensure that the same is updated, monitored, and reviewed periodically. We also establish and maintain plans and procedures to identify potential emergencies and accidents and our response to those situations. Additionally, these are used to develop appropriate mechanisms to prevent emergencies and periodically review preparedness Associates and Vendors are sensitised through regular training and awareness sessions and they also participate in periodic Occupational Health and Safety and Environment related drills.

At TechM, a dedicated Wellness Team organises specific physical and digital events regularly, covering a multitude of aspects of wellness. These events include health check-ups, webinars on key wellness topics, one-on-one consultations, and Employee Assistance Programs to name a few. Through this, the team ensures that TechMighties stay happy and healthy on and beyond the campus. Mental and physical health are important for associate safety not just under normal, day-to-day situations but also during times of crises/emergencies which are ensured by regional level Leadership Councils. You can read more about our Associate Wellness Initiatives in the [Employee Wellness section](#)

**Disclosure 403-1: Occupational health and safety management system**

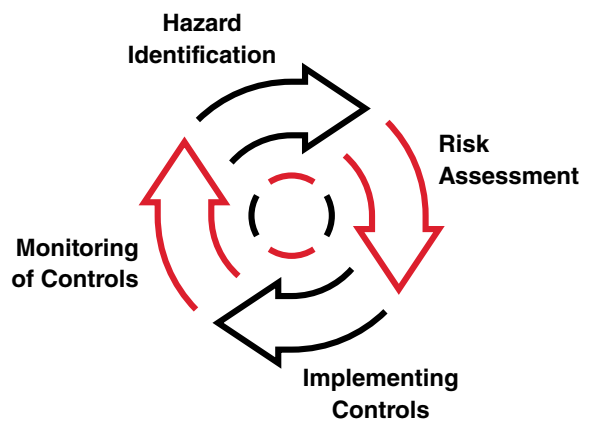
Occupational Health and Safety norms laid down in TechM’s Health, Safety & Environment Policy are followed at all our locations. The detailed policy is on our internal site accessible to all employees while an overview of the same policy can be reviewed [here](#).

**Disclosure 403-2: Hazard identification, risk assessment, and incident investigation**

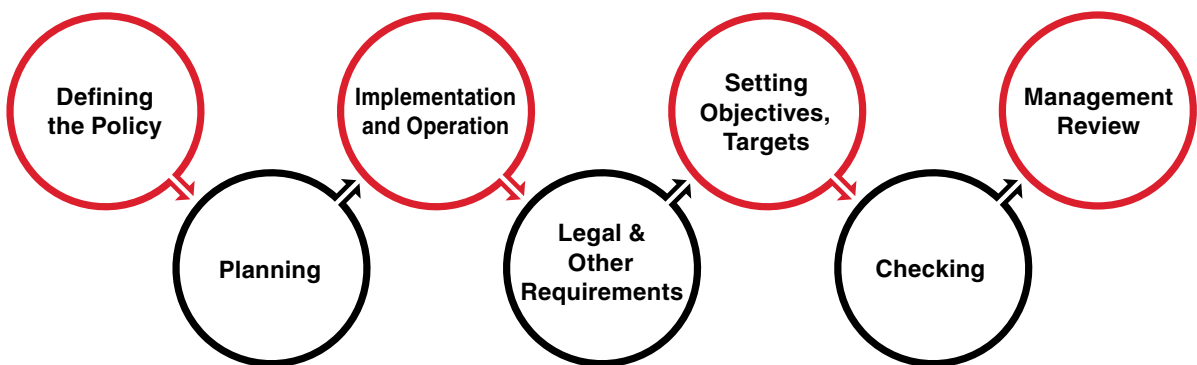
At TechM, the HSE Management System is an integrated approach where all the three HSE factors are effectively managed to reduce risks at the workplace. This starts with Hazard Identification and Risk Assessment (HIRA) framework which enables our associates to identify and contain incidents that may cause an injury to people or property. The assessment is followed up with complete

documentation of risks and hazards present within the environment, their causes, associated consequences, and risk and hazard containment recommendations. Upon a thorough assessment, implementation controls are put in place which ensures that the risk assessment is put into actionable ‘do’s and don’ts’. The HSE framework enables monitoring of controls, establishing and maintaining procedures, and defining roles, responsibilities, and authority for handling and investigating accidents, incidents, and non-conformances.

An Incident Management Tool is in place to facilitate the reporting of hazards for our associates. Our associates have been given an option to refrain from tasks, processes, and work which they believe could cause injury or ill health under Collective Bargaining Agreements and as per our Health, Safety, and Environment Policy.



The HIRA and Incident investigation process at our facilities is depicted below:





The HIRA and incident investigation process at the certified TechM facilities starts with defining the policy(s) and planning the implementation and operational execution of the same. All legal and other statutory requirements are duly implemented at this stage. Once the policies and execution plans are in place, objectives (KPIs/KRAs) are established and communicated to those handling the role and responsibility. The execution is regularly monitored by the teams responsible and is reviewed periodically by the management. The HIRA process is presently being carried out at HSE certified locations only i.e. Bengaluru and Hyderabad facilities.

The Behaviour-Based Safety & Health (BBS&H) programme is an initiative that has been launched keeping in mind the HSE policy. To ensure safe and healthy working conditions for associates while minimising the damage caused to the environment. BBSH helps in differentiating between safe and unsafe behaviour trends, reinforcing safe behaviour, and discouraging unsafe behaviour through on-the-spot coaching. The process helps prevention of injuries, increases associate productivity and work quality along with reducing the cost to the company, and helps the organisation comply with regulatory and statutory requirements.

**Disclosure 403-3: Occupational health services**

At TechM, a Health and Safety Committee has been established to ensure healthy and safe working conditions for all of our associates. The committee ensures the establishment, implementation, maintenance, and continual improvement of processes needed for the elimination of hazards and minimisation of risks. Our Health, Safety, and Environment Policy also cover our third-party/contractual staff. Hence, it applies to all associates and other staff members working on our premises at any given point in time.

**Disclosure 403-4: Worker participation, consultation, and communication on occupational health and safety**

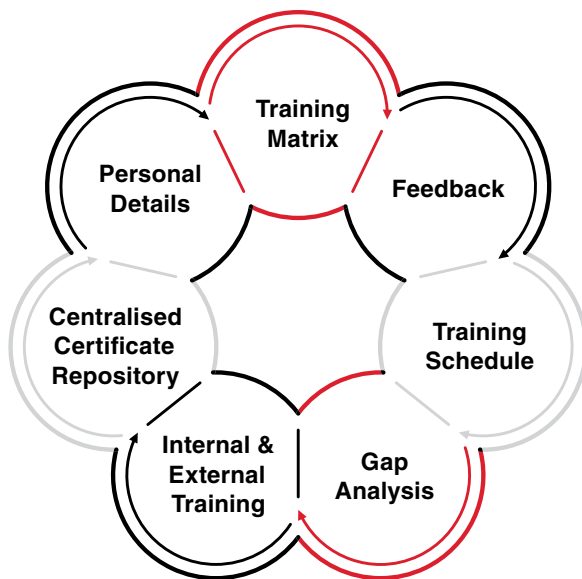
All stakeholders especially associates at TechM are entrusted with the responsibility of participation in the ongoing HSE activities. Associates are encouraged to review risks in their respective areas of operations from time to time and periodically develop and share strategies to eliminate, mitigate or reduce those risks. As a norm, associates are required to report all incidents and injury reports to the HSE team to avoid the recurrence of the incidents along with unsafe behaviour and unsafe conditions.

As a part of the process, all our associates are also educated on how to act in case of emergencies such as ‘Fire Emergency’ or ‘Medical Emergency’ whilst protecting themselves and their colleagues. The Health and Safety Committee constitutes personnel from the Senior Management as well. The management conducts reviews of HSE policies and processes at periodic intervals. They are tasked with the review of key performance indicators, the review of objectives/programs, and the effectiveness of controls.

We follow a two-way process for communication and awareness of HSE. Internally the policy is driven through our enabling structure and taken across the organisation through the policy framework. This includes all the policy-related information, key risks, training, participation, consultation with the associates, and details of the control mechanisms. There are clearly defined responsibilities at multiple levels including at the individual associate level. These are also communicated to external stakeholders including customers, vendors, and the communities we engage with. We have procedures for ensuring that pertinent HSE information is communicated through our HSE policy to the relevant stakeholders and public authorities.

CATEGORY	Health and Safety Committee (offshore)			WoW Committee Global members		
	Male	Female	Total	Male	Female	Total
Senior Management (E Band)	5	1	6	7	7	14
Middle Management (P Band)	5	0	5	17	16	33
Junior Management (U Band)	0	0	0	20	26	46
	<b>10</b>	<b>1</b>	<b>11</b>	<b>44</b>	<b>49</b>	<b>93</b>

### Disclosure 403-5: Worker training on occupational health and safety



At TechM, we insist on associate training and competence development to perform tasks that may impact HSE at the workplace. We define training as knowing what to do under given circumstances and competence as a combination of appropriate education, training, and experience of the associates in our organisation.

A training schedule is prepared, where basic training needs and gaps have been identified in the competencies of the associates. As a next step, internal and external experts are sought to develop and execute the training programme among the associates in a prioritised order. A centralised certificate repository is formed to internally assess the competence of a specific associate or that of a group of associates. The repository allows for detailed information on the personnel along with the training matrix for the organisation as a whole. In terms of training effectiveness measurement, we focus on understanding what's working and knowing what is not to assess improvements needed.

### Disclosure 403-6: Promotion of worker health

We, at TechM, firmly believe that Wellness and Safety go far beyond the company premises. Our Wealth of Wellness (WoW) Programme driven by the Wellness Before Business philosophy ensures preventive, personalised, and proactive holistic wellness across

all 8 dimensions of wellness. For more details, please refer to the <Employee Wellness> section. In addition to the onsite efforts for bolstering the Wellness and Safety of associates, TechM has partnered with Medi Assist Healthcare Services. Medi Assist is the third-party administrator for India Medical Insurance Policy for TechM which provides the necessary support for Claims Management for Hospitalisation. Medi Buddy Healthcare provides a multitude of wellness offerings like Doctor Tele Consultation, Annual Health Check-ups, Counselling Support (Employee Assistance Program), Specialists On-Location, Lab Testing & Home Sample Collection, Online Pharmacy, Wellness Coaches, Dietician-on-chat & Engagement Webinars for Pan-India Associates & Dependents.

We have tied up with Foyer for extending Global Insurance & Wellness Benefits. Wellness benefits include Employee Assistance Programs & Tele Consultations with GPs in maximum countries and to comply with local laws and regulations, support from local providers is extensively used. There are separate tie-ups to provide reliable counselling & coaching offerings under Employee Assistance Programme e.g., Lifeworks for ANZ, NASCO for the Middle East, AXA for UK & Guardian for the USA. We have also partnered with ISOS to provide 24\*7 Travel and Medical Assistance globally. In times of COVID, climate crisis or war situations, real-time advisories, on-the-ground support to rendering Pre-Travel support & assistance for both medical & security. With their assistance numbers, Assistance App & Website, our associates and other stakeholders receive real-time information for their respective countries/regions for better preparedness in adverse conditions.

In addition to the above, the Associate Welfare Trust (AWT) formed by associates of TechM provides financial assistance to its members in case of medical emergencies in cases where the medical expenses exceed the sum insured under the medical insurance scheme of TechM. This is applicable for the associate himself/herself, spouse, 2 children, and parents/parents-in-law if covered in the insurance plan.

### Disclosure 403-7: Prevention and mitigation of occupational health and safety impacts


At TechM, we strive to establish and maintain procedures for handling and investigating accidents, incidents, and non-conformance. Preventative planning and in case of accidents, the initiation, and completion of corrective actions along with the

confirmation of the effectiveness of such actions taken are carried out. We view these as critical steps in preventing and mitigating occupational health and safety impacts on an ongoing basis. As a process, the top management of TechM conducts periodic reviews of KPIs, objectives/programs for mitigation, and the effectiveness of the control measures. We encourage our associates to report any incidents proactively on the Incident Management Tool to avert accidents and help mitigate hazards.

Our objective is to constantly improve the suitability, adequacy, and effectiveness of the HSE management system, by promoting a supportive culture and value system. We seek to enhance HSE performance by encouraging the participation of workers in implementing actions for the improvement of the HSE

management system. We communicate the relevant results of improvement to key stakeholders including support staff and maintain documented information to ensure continual improvement.

At TechM, understanding the Incident Life Cycle, and subsequent management is of paramount importance. Identification and assessment of the incident on various parameters is followed by prioritisation of incident response. This is followed by a measurable resolution of the incident or attaining the prescribed containment levels. Another key step is communication and recording of the incident which helps all relevant stakeholders plan their next line of action and adapt procedures, if deemed necessary, for future use and execution.



**Incident Management Tool (IMT)**

We have developed an 'Incident Management Tool' to promote a safety culture within the company. IMT is our online portal designed to help associates report Health or Safety hazards/risk incidents that may lead to unsafe conditions across the TechM facilities. The said portal is designed and developed to capture all the necessary and minute details of an incident, right from its occurrence to the action(s) taken, R&Rs assigned, and next steps.

All the associates are encouraged to report any incidents to prevent their occurrence in the future. The platform has a structured system for the closure of the incident reported in the tool. Associates fill up an Incident Form with the mandatory details. Thereafter, a request is raised, and a Request number is generated. The incident is investigated by the location SPOC. Based on the adequacy of the incident reported, necessary action is taken. The portal serves the purpose of acting as a repository of incidents recorded in the past for continuous assessment and improvement.

**Disclosure 403-8: Workers covered by an occupational health and safety management system**

At TechM, we have a Health and Safety Committee and a Wealth of Wellness Committee. We have a Health, Safety, and Environment Policy that administers the implementation of the Health and Safety of our Associates. All of our associates be it permanent associates or third-party recruited staff,

and on-site vendors are covered by this policy. Though the policy applies to all, however, the implementation of HSE management standards i.e. ISO 45001 & 14001 is for certified locations only.

In locations based in India, the Health and safety incident monitoring and tracking are done through an online tool whereas the same is done manually by the respective location Health and Safety Officer for

locations based abroad. TechM intends to automate the monitoring and tracking process at foreign locations as well over the coming years. We have also included this in our approach to worker health and safety in our supplier expectations and awareness sessions besides extending it to the partners and communities that TMF works with.

#### **Disclosure 403-9: Work-related injuries**

In the reporting year, there were zero work-related injuries. All our associates have access to our Wellness programs and our Health, Safety, and Environment Policy available on our website. The activities and processes to mitigate work-related injuries and hazards are conducted periodically within our premises to minimise the risks. To factor in the WFH and hybrid working environment, our HR and Wellness teams ensure appropriate sensitisation, awareness, and training sessions for our associates.

#### **Disclosure 403-10: Work-related ill-health**

As a result of our robust policies & processes and due diligence about the Health & Safety of our associates, there were no fatalities resulting from work-related ill health in the reporting period. TechM has established a procedure for reporting incidents, analysing the incidents, and taking preventive/corrective actions which are overseen and driven by the HSE (Health, Safety & Environment) Team. The HSE team has created and uses an incident portal that tracks incidents related to events leading to Medical urgency which covers—injury, ill-health, environmental accidents, or potential injury. The procedure applies to all personnel having access to the workplace.

The Safety Committee also conducts a physical survey of campus to find areas for safety improvement. We regularly carry out online sessions on safety through WebEx and WoW Portal. The guest house and canteen staff undergo training on hygiene, self-grooming, and working guidelines. There are periodic DRP drills on fire and other identified risks, background checks, and other surveillance training. To factor in the WFH and hybrid working environment, our HR and Wellness teams ensure appropriate sensitisation, awareness and training sessions for our associates.

#### **Anti-Corruption and Anti-Bribery**

Bribery and Corruption are multi-dimensional issues that can be a risk to our brand, reputation, and business growth. We practice a zero-tolerance

approach to bribery and corruption and act professionally and fairly in all business dealings and relationships. There are effective systems in place to implement, enforce and counter bribery and corruption of any form across all businesses at Tech Mahindra.

#### **Governance of the Policy**

The Board of Directors is responsible for ensuring compliance with the legal and ethical obligations of the company. We have adequate checks and balances in place to ensure that there are no direct or indirect incidents of bribery or corruption. The Anti-Corruption and Bribery Policy complies with the legal requirements of applicable laws and regulations, including anti-bribery, anti-corruption and ethical handling of conflicts of interest. It applies to all the associates of Tech Mahindra globally. The Compliance Team is responsible for implementing any changes in processes as well as the corrective measures recommended by the Leadership Team.

The corporate Ombudsman provides quarterly reports on Anti-Corruption and Anti-Bribery to the Board of Directors, the CEO and the Head of Human Resources (HR). The regional HR heads are responsible for the day-to-day implementation of the Policy.

#### **Whistle-Blower Mechanism**

There is a structured process to deal with corruption incidents. Complaints can be raised as per the [Whistle-Blower Policy](#) and the Corporate Ombudsman ascertains the credibility of the charge. If initial enquiry indicates that a further investigation is required, a Redressal Committee is appointed to investigate the complaints within 48 working hours of receipt of the complaint. We have a Reward and Recognition programme to encourage the implementation of the Anti-Corruption and Anti-Bribery Policy across the organisation. There is also a provision to ensure that associates raising concerns in good faith under this policy are not disadvantaged or treated unfairly.

#### **Disclosure 205-1: Operations assessed for risks related to corruption**

The organisation has robust policies to deal with conflict of interest, bribery, and corruption, which are captured in the Company's Code of Ethical Business Conduct (CEBC). Any complaints which involve matters around unethical business conduct can be raised by whistleblowers through our Whistleblower

Policy. The complaints are investigated and assessed, and punitive action is taken promptly if any violations or irregularities are unearthed.

Tech Mahindra hires an external agency to review Internal Financial Controls (IFC) every 6 months. Similarly, statutory auditors review the IFC report of an external agency and carry out their tests. One of the significant risks dealt with is stakeholders not following the mandatory TechM code of conduct policies or following incorrect processes, which could lead to improper recruitment practices and vendor empanelment, unethical transfers and promotions, and allowances based on bribes (monetary or otherwise) between internal and external stakeholders.

**Disclosure 205-2: Communication and training about anti-corruption policies and procedures**

The leadership is committed to promoting and implementing the Anti-corruption programme across the organisation. Management at all levels is responsible for ensuring that the associates are made aware of the Anti-Corruption and Bribery Policy. This is supported by various initiatives such as Open House, All Hands Meet and Fireside Chat Session virtually enforcing our commitment to zero tolerance.

The [Code of Ethical Business Conduct](#) covers topics of corruption and bribery. 100% of the associates received the training in 2021-22.

**Disclosure 205-3: Confirmed incidents of corruption and actions taken**

Tech Mahindra did not have any substantiated cases of corruption & bribery in the past five fiscal years and there are no ongoing investigations by local or international authorities.

**Disclosure 415-1: Political Contributions**

Tech Mahindra as a company complies with the applicable laws and governance systems of the countries in which we operate. The Company does not campaign for, support or offer any funds or property as a donation or otherwise to any political party or any independent candidate for the political office. The Company does not contribute to political parties to influence any decision or gain a business advantage. We strive to preclude any activity or conduct which could be interpreted as a favour to and from any political party or person.

We make donations that are legal and ethical under local laws and practices.

**Socio-Economic Compliance**

We have a Global Compliance Management System (GCMS) which tracks global compliances across the company. This includes all compliances including HR, immigration, taxation, legal etc. GCMS is configured across all TechM branch locations including subsidiaries. Local country-specific compliances are tracked via proof of compliance, every quarter and a certificate via GCMS is shared with the Board of Directors to showcase our compliance with local statutory regulations & acts.

Tech Mahindra is committed and adheres to international labour standards, in consultation with local councils, our associate representatives, Works Councils and Unions. To ensure the removal of any instances of slavery, we have regular audits within Tech Mahindra, conducted by the internal audit team. These audits aim at improving our understanding of where the risks are greatest and prioritising our activities accordingly.

**Human Rights**

A strong and healthy relationship between business and human rights is essential for success in a globalised business. Respect for Human Rights, in all its forms, is a fundamental value for Tech Mahindra. We endorse this value as a member of the United Nations Global Compact. Our values encompass 'Dignity of an Individual,' the right to express disagreement and respect for the time and efforts of others. We maintain and continually improve our systems and processes to not only avoid complicity in human rights violations but also to implement and communicate our stance on Human Rights.

Tech Mahindra is committed to, and compliant with all applicable laws on Employment, Labour, and Human Rights. We ensure the implementation of fair and ethical employment practices and conduct business with those who share our commitment to the same principles. We have policies and procedures in place to prevent human rights violations on issues such as employment of child labour and freedom of association amongst the associates, as well as in the supply chain. We do not allow discrimination based on any of the aspects of diversity within the company and our spheres of influence.

Our Global Policies that help administer the implementation of human rights include <Human Rights Policy>, <CEBC>, <POSH>, <Whistleblower Policy>, and <Business Responsibility Policy>, all of which are publicly available. They cover all

the aspects of Human Rights and extend to all our stakeholders and we have created specific interventions to address any concerns around these aspects of Human Rights. We promote human rights within our associates across our global operations and in our relationships with clients, partners, and suppliers, as well as in the communities we operate. Our associates are informed about their rights and responsibilities regularly through training, mailers and internal platforms.

TechM has various mechanisms in place to ensure there is no risk related to human rights due to its business activities, either directly or indirectly. We are committed to protecting and respecting Human Rights and remedying human rights violations in case they are identified.

Our robust due diligence process helps us avoid complicity in human rights violations and prevent risks and negative consequences of human rights. Employment contracts and policy documents go through periodic reviews to ensure that there are no human rights violations. Our internal review mechanisms are designed to identify any kind of Human Rights violations or gaps in our Supply Chain operations also. The Risk Management & HR Compliance department helps integrate the "human rights" criteria in all risk management processes across the company.

### Stakeholders' Engagement on Human Rights

Where appropriate, we engage with a wide range of stakeholders on human rights issues related to our business. This includes issues within our operations and across the value chain. We believe that local issues are most appropriately addressed at local levels. We engage with vulnerable and disadvantaged, marginalised communities through our CSR programmes. We ensure that we are listening to, learning from, and considering their views as we conduct our business.

### Employees

We exhibit zero tolerance towards all forms of modern slavery or forced and compulsory labour within the organisation and across the supply chain. We comply with the Modern Slavery Act, 2015, the Commonwealth Modern Slavery Act, 2018, the UN

Declaration of Human Rights, and the Conventions of the International Labor Organization. The Company is committed to protecting and respecting Human Rights and remedying human rights violations in case they are identified. We provide equal employment opportunities, ensure fairness, create a harassment-free, safe work environment and respect fundamental rights.

### Contract Employee Engagement

We engage contract associates across our offices in India. The duration of engagement varies depending upon the project and role. The existing POSH, CEBC and Data Privacy policies are extended to them.

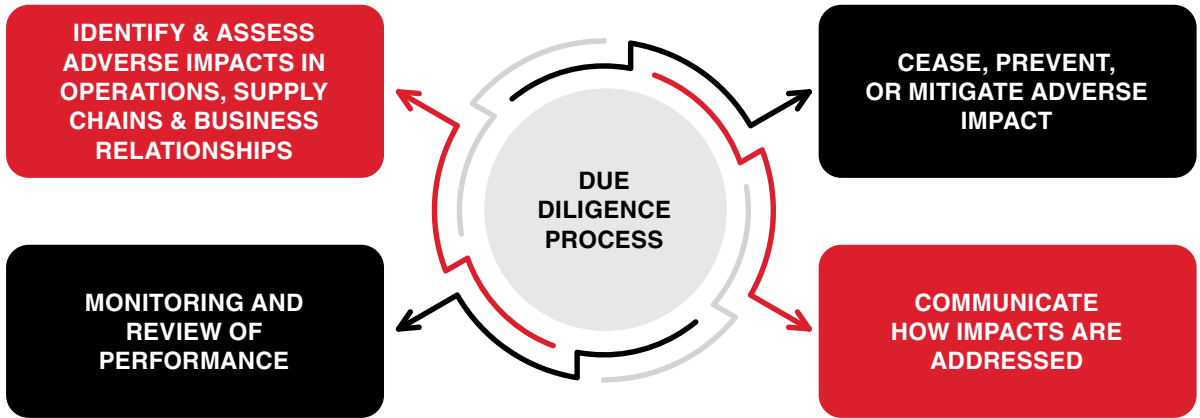
### Communities

We engage with communities during our needs assessments to include aspects of human rights matters that are important to them such as access to sanitation and health. We also engage with people in those communities, including indigenous people as well as other vulnerable and disadvantaged groups. We believe that local issues are most appropriately addressed at the local levels.

### Our Due Diligence Process

Before starting any business activity, we assess the human rights issues and impacts on the stakeholders as well as the company. We conduct human rights due diligence to identify and assess the nature of the potential adverse impact on our enterprise. Periodic reviews are conducted across all our facilities globally. While reviewing such agreements and policies, significant effort and time are invested along with incidental costs. Such investments are periodic and proactive.

Our due diligence is informed by meaningful engagement with the relevant stakeholders. This helps us consider what risks are most prevalent in the organisation. Assessment of adverse impacts allows us to take necessary mitigation measures. The information available from the assessment is used for decision-making. It helps determine the countries, the business partners, the operations and functions and the rights and groups of stakeholders most likely to be impacted and helps us prioritise actions to address these risks. As a global organisation, we assess risks related to Human Rights across the value chain.



**IDENTIFY & ASSESS ADVERSE IMPACTS IN OPERATIONS, SUPPLY CHAINS & BUSINESS RELATIONSHIPS**

We identify and assess actual and potential adverse human rights impacts on the company and assess the human rights context before a proposed business activity.



**CEASE, PREVENT, OR MITIGATE ADVERSE IMPACTS**

Potential impacts are mitigated through the horizontal integration of findings across our operations, while actual impacts – those that have already occurred – are subject to remediation. Where our business contributes or may contribute to an adverse human rights impact, we take the necessary steps to cease or prevent it and use its leverage to mitigate any remaining impact to the greatest extent possible.

**MONITORING AND REVIEW OF PERFORMANCE**

Human Rights monitoring and review are integrated into relevant internal reporting processes. We employ tools like performance contracts and reviews as well as surveys and assessments (using gender-disaggregated data where relevant). Operational-level grievance mechanisms provide important feedback on the effectiveness of our human rights due diligence from stakeholders directly affected. We have established committees/ processes like the Ombudsman, Prevention of Sexual Harassment Committee, Risk Committees, and a Diversity Council to review the progress and formulate strategies to address issues on compliance, safety, and a harassment-free workplace.

Our Employment contracts and policy documents go through periodic reviews to ensure that there are no human rights violations. This review is conducted across all our facilities globally. While reviewing such agreements and policies, significant effort and time are invested along with incidental costs needed for these periodic and proactive reviews. Our internal review mechanisms are designed to identify any risk of Human Rights violations or gaps in any of our operations and the supply chain.

Our performance tracking mechanisms utilise existing systems on grievance mechanisms, audits and surveys to identify areas of improvement and evaluate the integration of human rights aspects into existing systems while retaining specific human rights features.

### **Collective Bargaining Agreements (GRI 102-41)**

Freedom of association is a basic human right. TechM also provides policies, forums and support groups for hearing and addressing the concerns of its associates and resolving their issues or conflicts in a timely, fair and transparent manner. We recognise the right to freedom of association through independent Trade Unions, Work Councils (WCs) or Collective Bargaining Agreements (CBAs) as per the regional laws where we operate. At each location where we operate, we comply with local laws governing the employment relationship. In regions like continental Europe, associates need to be a part of work councils or collective bargaining agreements. In countries like Germany, France, Italy and Finland where this is mandatory, all our associates are part of WCs or CBAs. However, this is mostly voluntary, hence approximately 40% of associates in Europe are covered under such agreements. At a global level, the overall percentage of associates who are part of independent Trade Unions, Work Councils (WCs) or Collective Bargaining Agreements (CBAs) is approximately 1%.

### **Disclosure 412-1: Operations that have been subject to human rights reviews or impact assessments**

All significant investments in our companies and subsidiaries have undergone human rights screening. All the employment contracts and investment agreements of Tech Mahindra and our acquired companies undergo screening to ensure that there are no human rights violations. We follow a robust due diligence process and ensure that there are no risks due to any human rights violations.

Our policies on POSH, CEBC, and Whistle-blower cover 100% of our operations and are reviewed and updated periodically.

### **Disclosure 412-2: Employees Trained on Human Rights Policies and Procedures**

All associates are required to complete a Prevention of Sexual Harassment Training and get a certificate of completion. This training and certification are strictly enforced, and non-conformance ensures a quick dismissal. 92% of the associates completed both the POSH and CEBC trainings in FY 2021-22.

100% of our associates must complete this training within 3 months of their Onboarding.

### **Disclosure 412-3: Significant Investment Agreements and Contracts That Include Human Rights Clauses or that Underwent Human Screening**

Human Rights clauses are included in TechM's CEBC Policy and all the associates receive training on the same.

All investment agreements, all our acquired companies, and subsidiaries have undergone human rights screening. Employment contracts and policy documents go through reviews to ensure no human rights violations happen across any of our operations globally.

### **Disclosure 406-1: Incidents of discrimination and corrective actions taken**

We have a formal mechanism for tracking incidents of discrimination. There are no discrimination complaints raised to the office of the Corporate Ombudsman for child labour, forced labour, and involuntary labour for FY 2021-22.

FY22, there were 45 complaints of sexual harassment, out of which 43 complaints were closed in the fiscal year after satisfactory resolutions and necessary actions.

### **Disclosure 407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk**

None. Tech Mahindra recognises the right to freedom of association through independent Trade Unions, Work Councils (WCs) or Collective Bargaining Agreements (CBAs) as per the regional laws where we operate, in our organisation and in our supply chain. Our policies and procedures ensure that there is no risk of Freedom of association and Collective



Bargaining across the organisation and the supply chain as well. Tech Mahindra’s Human Rights Policy ensures that the aspects of Freedom of association and Collective Bargaining are administered and implemented for our associates.

Through the SSCM Supplier Code of Conduct, we bind all our suppliers to recognise and respect the right to freedom of association and collective bargaining of its associates consistent with local/ national laws and regulations.

**Disclosure 408-1: Operations and suppliers at significant risk for incidents of child labour**

The Supply Chain Management Policy and the Supplier Code of Conduct policy extend to all suppliers who conduct business with us. We also conduct capacity-building workshops for our top suppliers and educate them on the importance of human rights, labour laws, sustainable supply chain, and the global trend in the green supply chain. We aim to help suppliers understand the importance of sustainable development as well as create a platform for all stakeholders to discuss their concerns and challenges.

**Disclosure 409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labour**

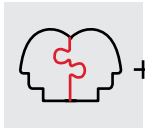
None. Tech Mahindra exhibits zero tolerance towards all facets of modern slavery or forced and compulsory labour, as elaborated under the Modern Slavery Act, 2015, Commonwealth Modern Slavery Act, 2018, the UN Declaration of Human Rights and the conventions of the International Labor Organization, in our organisation and or our supply chain. Our policies and procedures ensure the prevention of human

rights violations across the organisation and the supply chain as well. Associates must abide strictly by the Code of Ethical Business Conduct while we bind all our suppliers to follow at least minimum standards of environmental, social, and ethical conduct as mandated by our Sustainable Supply Chain Management Policy (SSCM) and SSCM Supplier Code of Conduct.

**Disclosure 410-1: Security Personnel Trained In Human Rights Policies and Procedures**

Security personnel were briefed on aspects of Human Rights including topics like forced labour and sexual harassment. The female security personnel are also made aware of POSH. These trainings are conducted weekly, and all the aspects of HR policies are covered.





## Social and Relationship Capital

**Social and relationship capital represents the shared values, the willingness to engage and the intangibles associated with Tech Mahindra's brand and reputation. It encompasses the relationships – and attendant resources – between the company and its stakeholders including Investors, Partners and Collaborators, Customers, Communities and Suppliers and Vendors.**



### Investors

Our current and future investors are a part of the extended Tech Mahindra family. We provide accurate, detailed, timely and transparent information to them on their financial and non-financial performance and future strategic orientation. The Company believes in proactive communication with investors and shareholders, and in ensuring transparency and accountability within the organisation. We engage with our shareholders through various forums such as quarterly earnings calls, investor conferences, company organised Investor Day, or Annual General Meetings. We also share all our details through our website including our ESG framework and policies. We also actively engage with Shareholders on our ESG performance and priorities. The Company's management takes feedback from investors during these interactions and percolates it through the organisation to drive changes. We aim to increase shareholder value and measure the same through total Shareholder Return. Through our Capital Return policy, we return excess cash to shareholders through a combination of dividends and buybacks



### Partners and Collaborators

Partners and collaborators constitute our Alliance Ecosystem that helps us deliver customised and complete end-to-end solutions to customers; accelerate the implementation of the NXT.NOW strategy; and support the development of new solutions and platforms through collaboration, co-innovation, and co-creation. A powerful alliance ecosystem of leading technology firms and disruptive startups empowers our business capabilities to deliver a comprehensive and customised solution package to the market. Our in-depth domain and consulting experience help in providing solutions across industries. Our solutions include automation factory workflow with IoT, Cloud, Edge, and Cognitive Computing and AI to help increase productivity, minimise human intervention, optimise production costs, and focus human efforts on non-repetitive tasks.



**Customers**

As the trusted partner of our customers' digital journey, Tech Mahindra not only designs, integrates and operates customer solutions specific to partners' technology, but also develops high-end technologies, products and indigenous IPs that bring unique added value in performance and security. Our objective is to co-innovate with customers to enhance processes and experiences across the board.

TechM empowers clients with a seamless digital experience across channels and provides an immersive Customer Experience to its clients. Our CX offerings provide an unprecedented advantage to clients in bringing profound customer insights, technology enablers, and operations capabilities to help transform and partner in their pursuit to embrace Digital disruption. We offer an improved connected experience across the customer lifecycle with the interplay of digital strategies across multiple channels. We offer solutions like experience design and adoption, disruptive technology adoption and operational transformation.



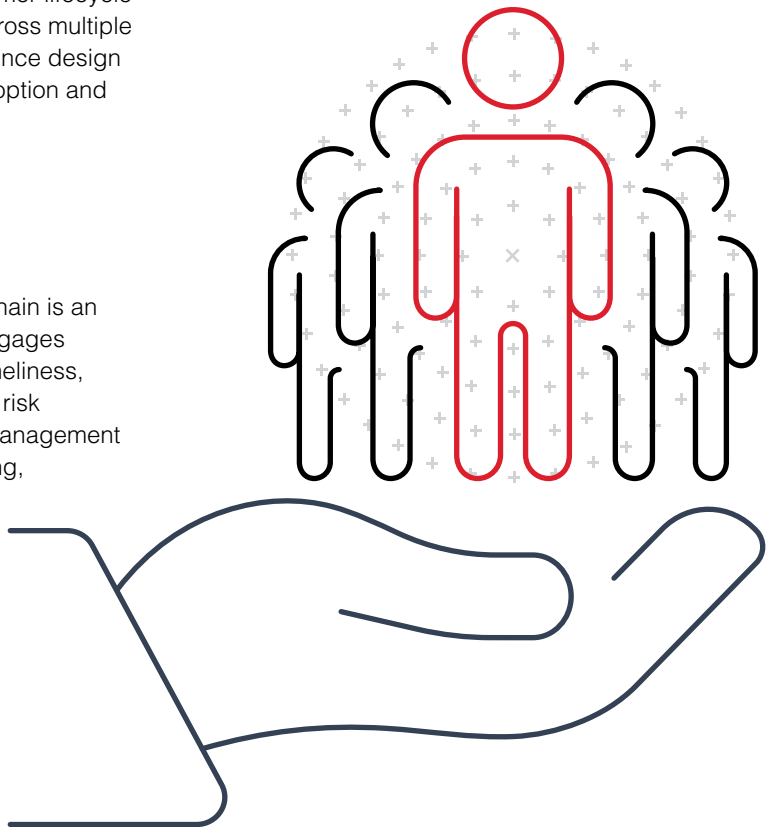
**Suppliers and Vendors**

A responsible and sustainable supply chain is an organisational priority. The Company engages with them on key elements of quality, timeliness, sustainability performance and supplier risk management and business continuity management through capacity building, audits, training, and awards.



**Local Communities**

The well-being of the communities in the areas we operate is a key priority. We constantly endeavour to make the world a better place through our corporate and individual initiatives. At Tech Mahindra, our objective is to empower communities by extending our scope of responsibility beyond immediate benefit. Our goal is to always impact our partners positively, stakeholders, communities, and the world at large. Active engagement with our communities allows us to identify community needs and measure the impact and outcomes of our CSR interventions. Engagements at the grassroots level have enabled us to forge a long-lasting relationship with society in the areas we operate.



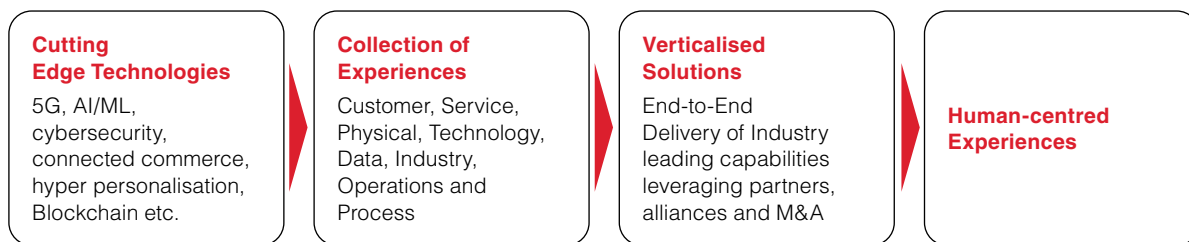
## Performing in Customer Relationships

“Customer centricity office focusses on gauging the pulse of our customers, driving continuous process improvement to make ourselves faster, better and much more efficient. We see our role, as one of being a knowledgeable and trusted partner, providing customer-focused delivery and thought leadership. This helps us to build long-term, mature relationships with our customers and to deliver consistent results increasing customer retention while enhancing customer value and customer experience. This allows the organisation to build brand loyalty and positively impact our brand reputation.”

**- Sandeep Chandna**  
Chief Customer Officer

The demand for digital transformation is not only growing rapidly, there is also a greater impetus on speed and building scale. In the last couple of years, we have seen the growth of new models of dealing with methods, people, regulations, technology, and supply chains coupled with the structural changes in the economy and dynamics. In line with our Purpose, we challenge conventional thinking and innovatively leverage our experience, knowledge, robust IP assets, partners and alliance ecosystem to drive change for our customers. As a trusted partner for global customers, we continue to collaborate with our clients to help them win in these changing times by delivering purpose-driven, human-centred experiences.

### OUR CUSTOMER VALUE PROPOSITION



5G is a key area of attention and investment for our customers, across Communication Service Providers (CSPs), Industry 4.0 innovators and governments. There have been fundamental shifts, like acceleration in adoption of Network Automation and 5G with enterprises for Industrial Automation, making operations AI-enabled and transforming BSS for a differentiated customer experience. We partner with CSPs as a ‘Continuous Integrator’ to design, build, transform and operate 5G networks to help them develop capabilities to monetise a differentiated customer experience. Our deep 5G knowledge, along with innovative and scalable platforms such as NetOps.AI makes us a trusted transformative partner.

We aspire to be a data-driven and AI-first organisation as AI grows to become one of the largest workload categories in the cloud. We are investing in competencies that span 40+ industry

solutions and 50+ technologies by co-innovating with partners, customers, and start-ups. We see a strong acceleration in cloud adoption with the need for innovation, agility and elevated customer experience. Our adept adoption of cloud solutions to enable partnering with customers has supplemented our capabilities in managing workload migration to the cloud, application modernisation, and cloud-based operations. We are taking to market, proprietary platforms for accelerating adoption, including ‘cloud-ready’ assessments, Cloud Migration Accelerators for zero business impact, iCOPS (Integrated Cloud Operations and Subscription Management platform); as well as a Managed Platform for Adaptive Cloud. In line with our purpose, we look at leveraging unconventional thinking to drive sustainable change, especially in light of how ESG and climate priorities are gaining momentum.

We have created a focused vertical to work on integrated solutions through a partner ecosystem to support our customers in addressing their environmental compliance requirements. Additionally, these will also address their ESG aspirations around climate, energy, water, resource efficiency, sustainable mobility, and waste management. The new economy of “green consumers” offers opportunities for innovation and revenue growth, and we are aligning our portfolio around initiatives that focus on low carbon transition, green buildings, energy-efficient operations, and green mobility. Our solutions such as Smart City projects, SMART Grid, Micro-Grid-As-A-Service, Intelligent Electric Vehicle Charging System (IEVCS), Community Action Platform for Energy (CAPE), Energy Management System, Green Data Centres and Cloud-based services, help reduce carbon footprints and achieve sustainability goals for our customers. We strongly believe that integrating sustainability with digital presents an exciting opportunity for us to support the Rise of a green, digital economy. Read more [<Green Solutions>](#)

Keeping abreast of emerging trends to help our customers be future-ready has led to our comprehensive strategy using a holistic Blockchain Ecosystem framework to facilitate the creation of industry-leading applications. The goal is to build on innovation and human excellence, to fulfil underserved needs through a combination of cutting-edge technology, and domain expertise and by offering a range of service offerings. We have developed cutting-edge platforms that transform customer experience and optimise network effects to unlock significant value for all stakeholders. This attitude has also led to the launch of TechMVerse, where we will invest in addressing the opportunities presented by the Metaverse. It will offer immersive digital and professional experience services around design, and content, as well as low code plug and play Non-Fungible Tokens (NFT) and Blockchain platforms, while also aligning the metaverse strategy with Tech Mahindra’s digital and Environmental, Social, and Governance (ESG) goals.

**Case Study: Multi-Geography Transformation Program - Large Global Private Bank**

The bank has been creating a common, Wealth Management platform, covering different locations through a large transformation program. A booking platform drives the creation of an effective back office with execution services for a standardised and harmonised platform with the highest degree of performance.

**Challenges**

- + Disparate applications and process across geographies
- + Local customisations increase cost enhancements or version upgrades
- + High Operating and Maintenance cost

**Benefits**

- + Reduction in operational and maintenance cost
- + Harmonised custody network management to reduce cost
- + Less need for customisation
- + Easy implementation of changes across locations

**Engagement Highlights:** Since 2001, we have performed multiple implementations, developments, upgrades and support services in Singapore and APAC for setting up a single booking entity. Since 2004, we have delivered four T24 (a core banking solution) upgrades including recent upgrades for T24 R19 in Saudi Arabia.

**Implementation of Temenos T24 R19 and Temenos Payment Hub for an European branch:**

- + Business and technical analysis, design, development and training across functionalities, interfaces, reports, etc.
- + Frameworks to facilitate interface of T24 to satellite systems and production client output
- + Platform and processes for compliance with local and US tax, pricing and tariff regulatory requirements

**Change-the-bank activities:**

- + Automating business processes (e.g. payments) to achieve operational efficiency and cost reduction through process standardisation to achieve transparency on multi-factor risk indicators
- + Serving as a bridge between the business and technical stakeholders to help deliver effective technical solutions to fulfil business requirements

**UAT Support:** Enabling UAT while bridging testers and Business Engineering team gaps

- + **Level 3 (L3) Support:** Handling issue fixes from UAT/testing
- + **Engineering Enablement:** Supporting project engineering matters (E.g. COB etc.)

**Epsilon (IT Operations Management Tool):**

Partnered to create Epsilon tool to improve efficiency and resiliency of support team.

**IMPACT:** Reduced operational costs and improved their overall efficiency while enabling expansion through the inclusion of more solutions as well as ease of scalability across locations.

We take a long-term approach by leveraging structured change management, process sustainability, and technology enablement to drive transformation in the areas of service delivery and people supply chain. Our service delivery transformation is engineered around effectively capturing and acting on the voice of the customer, ensuring delivery quality through the deployment of our knowledge repository, IP asset automation, and a future-ready workforce.

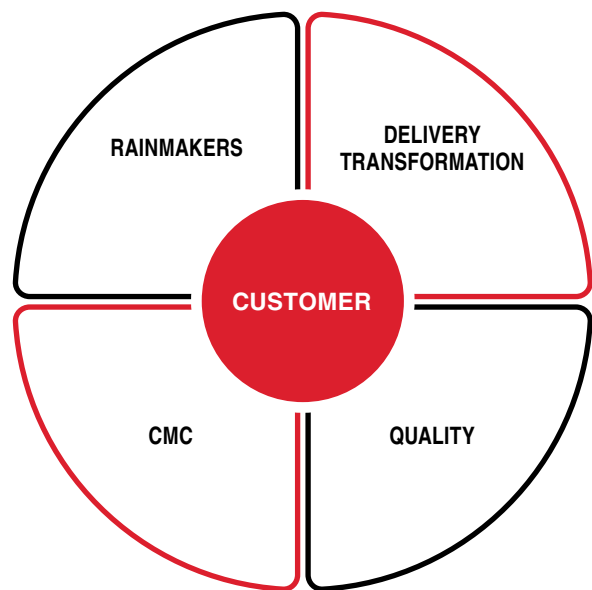
Our approach towards maintaining customer relationships through value creation has Customer

Centricity as the core engine. This is driven through focused proactive and reactive efforts on delivering ever-improving customer experience and delight through all our business activities. Our Customer Centricity Office (CCO) ensures that all interfaces and processes are aligned to execute on this pre-eminent focus amongst our organisational values. This has ensured creating a culture where people, processes and systems place Tech Mahindra as a trusted partner and advisor, delivering enhanced services, experience, and business outcomes for our customers.

**Customer Value Creation Lifecycle**

**Integrated Customer Value Creation**

Customer Centricity Office is at the core of ensuring relentless customer focus



The CCO proactively focusses on understanding customer challenges, business processes, and future direction which enables alignment of our resources towards providing newer, better services, and a more enriching experience. It interacts periodically with customers and partners along with delivery, sales, and support functions to facilitate better 'customer first' outcomes. On the other hand, the CCO also drives end-to-end resolution of challenges, escalations, or issues which may adversely impact the quality or level of service delivery. It consults, aids, and expedites the necessary actions to close these escalations, quickly working together with the teams within and outside the organisation. The scope of influence spans changes in service solutions, processes, policies, and systems as well as reallocation of resources as needed. The CCO owns the deployment of the CSAT survey as well as identifying areas of enhancement and executing action plans to address them.

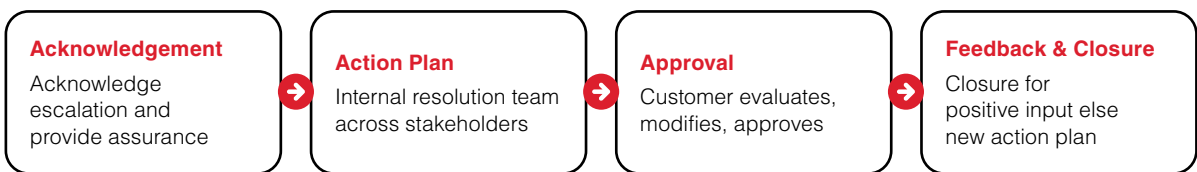
We have built an appropriate structure with systems and processes to ensure seamless delivery and support to address any challenges across the program lifecycle. This is the bedrock on which we build sustainable and trusting partnerships with our customers, acting as trusted advisors to help them along their transformation journey. Our thought leadership across sectors identifies opportunities for addressing the current and future needs of our clients and their customers. We take this forward through points of view (POVs), the underlying technology initiatives, as well as faster, better, and more efficient solutions to deliver the outcomes. We have also built the capacity to integrate the learning across teams and long-term engagements. This is achieved by having a team skilled in retaining and scaling relationships by ensuring the application of continuous learning and improvement principles to the way we deliver large engagements.

The CCO office is headed by the Chief Customer Officer, who directly reports to the Managing Director and Chief Executive Officer. The team interfaces with account management, finance and the quality teams actively to get customer-level inputs. Internally, there are well-defined teams to drive each of the key focus areas of the customer-centricity office. Customer satisfaction metrics are used to identify detractors as well as passive customers, for which root cause analysis is performed to develop specific action plans for such accounts. Account performance metrics from delivery teams and finance are used to identify the right interventions for account escalations where the CCO partners with all stakeholders for rapid closure.

One of the primary functions of the customer-centricity office is to manage customer escalations from across touchpoints, to then identify and ensure that critical cases are expedited through appropriate channels. We use a four-level categorisation mechanism to rate and channel escalations. The first two levels are generally resolved by the business unit, with the ability to involve the CCO if required. In the event of delays, the CCO proactively gets involved to aid the faster resolution. CCO tracks the high priority customer escalations to closure.

The CCO interfaces with customers or account managers to assure them about the escalation and develop specific action plans, with all service delivery stakeholders. Customers' buy-in is taken and modifications are made as appropriate and then tracked across milestones to ensure the execution of the action plan. The key takeaway from each escalation in terms of learning and the requisite adaptations are made systematically across all accounts.

**The CCO team tracks milestones and ensures the execution of the action plan.**



The distinctive aspect of our approach is the proactive actions we take to keep our finger on the pulse of our customers and the engagements we have with them. We track the health of our engagements through a combination of internal and external measurements and monitoring technology-enabled tools. These tools are accessible globally by relevant stakeholders and leverage predictive analytics to forecast anticipated challenges. This ensures a proactive, comprehensive approach, allowing rapid resource mobilisation and resolution, helping achieve a superior customer experience.

Customer Centricity Management				
CSAT (Account and Program)				
Customer		AED	ProAlert	Pulse Predictor
Rainmakers			Quality	
ASI	Rainbow		CMC	

At the heart of the customer-centricity management process is the Account Escalation Dashboard (AED) portal, which takes inputs from sales, delivery, quality, and CMC (Contract Management Commercial) groups. This is a predictive analytics tool enabling stakeholders to forecast any potential account-specific escalation issues. The AED provides a detailed overview and diagnostics, besides reporting issues to the senior management. Rainmakers are often the first responders to any issues as they manage our customer relationships for designated accounts and are an important source of insights. They also identify opportunities while ensuring that the strong capabilities and credentials of TechM are best represented to the customers.

- + **Account Status Indicator:** ASI is a user-friendly mobile app, for Rainmakers to capture real-time RAG (Red, Amber, or Green) status for their designated accounts after customer interactions. Each status has been codified to clearly define the context and enable the appropriate alignment of resources. Notifications are triggered when appropriate, with the CCO team initiating discussion with sales and delivery teams. Critical issues are immediately updated in the AED portal and tracked until closure.
- + **Rainbow:** A mobile-based App with ready access to knowledge that feeds on account/competitor intelligence, capability artefacts and access to SMEs to adroitly address opportunities when interacting with a client. It contains an inbuilt mechanism to easily share artefacts with peers

and customers. Additionally, it also enables the Rainmakers to raise a flag about any challenges in resourcing, marketing, finance, or legal departments

Program and project managers work closely with quality teams to ensure robust delivery. The CCO has taken initiatives to enable them through robust processes and tools to take a collaborative approach to mitigate potential risks.

- + **Pro-alert Tool:** All the concerned stakeholders in delivery have access to a tool where they can share details of the issues faced in the respective programs. The CCO team then assists them in expediting the resolution of the issue with critical issues being immediately updated in the AED portal and tracked until closure. Alerts are raised across various categories, including resourcing, contractual, and service levels, with identified SPOCs to address any breaches.
- + **Customer Pulse Predictor:** This new tool is used to measure the health of every program from the delivery viewpoint to integrate with the other inputs. The program managers provide a Red, Amber, and Green status of their respective programs to enable early intervention by the CCO.

Besides these tools, the CCO has developed various mechanisms to engage with customers directly, ensuring independent touchpoints across each account and program. These are used for monitoring and measuring performance for both customer-facing and service delivery roles.



**Customer Satisfaction, CSAT (1-5):**

As part of the Service Delivery Transformation initiative, the CSAT process was revamped and a two-tiered survey viz., at the Program and Account level was initiated to capture customer satisfaction. Improvements were made in the metrics i.e., absolute scores were replaced with weights. The new metrics of the CSAT index were computed based on weights for coverage, response rate and the average score.

- + **Program CSAT:** The performance of each program is evaluated based on customer feedback through a survey. The parameters are aligned with Service Delivery, Teaming and Engagement as well as Governance and Management. The delivery leadership roles, including program managers, IBU heads, IBG heads, and SBU heads are incentivised on the scores achieved. We have achieved a CSAT index of 4.0 against the target of 4.0 and our satisfied customers were 85% during FY 2021-22.
- + **Account CSAT:** The overall customer experience and pulse is captured through face-to-face interactions with the CXOs of the client organisation by the senior leaders of Tech Mahindra. The scores derived through account CSAT are considered while incentivising the pertinent client partners handling the account. We have achieved a score of 4.15 for account CSAT during FY 2021-22.

**Service Delivery Transformation and Quality**

We have implemented an 'A10' program aimed at achieving operational delivery excellence and harnessing efficiencies through a collaborative approach across departments to enable the delivery of better outcomes for our customers and the organisation.

- + **Portfolio/asset reusability and simplification -** Program reviews to add more assets to portfolios and access to a one-stop repository of best-in-class assets for improved efficiency and quality.

- + **Voice of Customer -** Providing an integrated view of customer feedback across the account and program with a sharper focus on the closure of actions.
- + **Engineering metrics and automation -** A structured approach with increased focus and rigour at every step, to avoid potential escalations. Tollgate framework across life cycle stages ensures 'right first time' and discipline in employing the mandated processes.
- + **Upgrade PgM, Architect capabilities -** Right Fitment of Program Managers and Architects and building a capability development engine to drive right fitment. This is done through the creation of a linked database & automated search and match of the right profiles.
- + **Renewals and project run offs -** Teaming champions and implementing a structured approach to drive renewals through curating best-in-class assets, stakeholder management and dedicated champions.
- + **Market leadership in FP program -** Deploying SDT levers for driving market leadership. Integrated program covering all aspects of delivery excellence (Automation, NAD, DLG, RFT, Estimation, Upgrade PgM /Architects).
- + **Commando Team -** A rapid action team, that would be triggered by the CDO (Chief Delivery Officer) to address deep Red Situations to restore customer confidence in the shortest possible time.
- + **Large Deal Execution -** Aimed at setting the right "large deal" delivery organisation and setting a framework for governance that is tuned towards the execution of large programs successfully.
- + **Forecast to Fulfilment -** To focus on the accuracy of the forecast and accelerate the fulfilment process. Ensuring internal channels are used for fulfilment and resources are future skill trained and deployed.

### Service Quality at the Core

Business models for people operations, methods, technology, supply chain, etc. are changing dramatically though quality remains integral. We aspire to align with best-in-class industry practices to become the “Digital Partner of Choice”.

Based on understanding customer expectations and peers, we have identified some focus areas. These include Pursuit Risk Assessment for all large deals, Deliverability Risk Assessment for all new deals across their lifecycle, Tool Driven Development, amongst others. To drive this outcome, we have embarked on a unique initiative focusing on integrating engineering excellence, delivery excellence, and future-ready employees. The entire initiative is driven through an Integrated Delivery Platform providing:

- + Simplified and relevant processes augmented by insightful analytics and automation
- + Zero “surprise” escalations by structured enterprise-level delivery risk management
- + Enhanced deliverability through engineering excellence, using asset accelerators and reuse
- + Upskilling of QWay associates and driving adoption

Risk Governance is driven as a culture to drive delivery excellence and is enabled by program assessments and technical audits to achieve engineering customer focus and excellence.

### Online Strategies and Customers

Our digital presence and marketing outreach programs are directed at our current and prospective customers as well as other stakeholders including employees and investors. We monitor the relationships with all stakeholders. We leverage a combination of online analysis and digital marketing tools to determine usage patterns and potential information needs. We undertake social listening to manage our online brand reputation with multiple stakeholders including investors and employees. We also bring thought leadership-driven ideas to customers by bringing forth various trends, disruptions, and ideas to help ideate their transformation journeys. These are delivered through engaging webinars by internal leaders, industry leaders and external experts. We also organise forums to co-innovate and enable enriching discussions with our customers by leveraging platforms like LinkedIn Live, Twitter Chats, etc. These can be followed by using our brand hashtags #TechMLive or #TechMChat

**Online Analysis and Digital Marketing:** We use online analysis tools such as crawling tools to understand the usage pattern of our website, identify

crawl errors, and assess sitemap submissions. These tools help us to analyse & understand customers’ perceptions. We use digital marketing to increase the web experience for our users by analysing data and optimising content. To position ourselves better and penetrate the market, we undergo various plagiarism checks to maintain the authenticity and uniqueness of our content. The content is being amplified to various regions via various marketing channels following the red ocean and blue ocean marketing strategy.

**Social Media & Analytics:** We leverage custom & third-party social listening tools to track our brand mentions on social media. We respond to negative feedback and provide a rectification plan for positive brand image and recall. This helps us to build and manage our online reputation and boost response management. We use different social media platforms to create and manage leadership interactions across customer companies and our management. We also use them as a medium to highlight key updates about our company. The platform analytics tools help us understand the impact of various campaigns that we conduct as part of an outreach for our innovative solutions and offerings.

**Certifications**

Certifications are a testimony to the robustness of business processes and the quality culture imbibed in our organisation. We are certified under various standards to meet client demands and provide enhanced value delivery. We have been successfully assessed and certified for the following:

Sl.No.	Standard / Model	Description
1	ISO 9001:2015	Quality Management System (QMS)
2	ISO 27001:2013	Information Security Management System (ISMS)
3	ISO 22301:2012	Societal Security And Business Continuity Management System (BCMS)
4	ISO 27701:2019	Privacy Information Management System (PIMS)
5	ISO 20000-1:2018	Information Technology Service Management System (ITSM)
6	AS 9100 / EN9100	Aerospace Standard for Projects Under Aerospace
7	ISO 14001: 2015	Environmental Management System
8	ISO 45001:2018	Occupational Health and Safety Management System (OHSAS)
9	TL 9000	This Is A Certification On Telecom Standard
10	ISO 13485: 2016	Medical Devices – Quality Management Systems – Requirements for regulatory purposes
11	ISO/IEC 17025: 2017	Laboratory Quality Management System

**System and Organization Control (SOC) 2 Attestation**

Tech Mahindra achieved attestation for System and Organization Control (SOC) 2 type 2 for the BPS and IT services across all services globally. This is a voluntary engagement that covers 135 locations across 38 countries, and the assessment is performed by an independent audit firm. It demonstrates the company’s ongoing commitment to creating and maintaining a secure environment across all services for its customers globally, towards safeguarding customer security, privacy, availability, and confidentiality. This is a demonstration of our focus on customer trust, loyalty, and quality in business operations through enhanced client communication and increased transparency.

**Business Continuity and Resilient Response**

Ensuring business continuity for ourselves and our customers is an organisational imperative. Our response to the pandemic helped demonstrate our robust disaster recovery and business continuity processes. We have enabled technology-led business continuity processes for many of our customer organisations to enable work from home during COVID-19 that ensured businesses are running via provisioning of remote work.

We are certified on ISO 22301:2012 (Societal Security) and have a comprehensive Disaster Recovery and Business Continuity framework that has helped in our response to the different phases and stages of the pandemic. We have managed all our customer operations without any major challenges as our internal processes, Disaster Recovery, Business Continuity and Security Policies have helped us to resiliently continue services at customers’ acceptable service levels.

Our response during the pandemic and in managing the situation during the second wave and thereafter has been enthusiastically endorsed by our clients. Our business continuity response keeping cyber security, information security and data privacy at the heart has been one of the most resilient in the industry. These have been discussed in detail in the appropriate sections of this report. We have also developed tools and applications in-line with our SLAs to enable Business Continuity, Vulnerability Assessment and Penetration Testing Labs for secure corporate network operations demonstrating our robust information security posture. Our associates did a tremendous job in this crisis to ensure no system was broken, and our client operations could continue without any challenges. As we progress in a hybrid model, the return of the personal connection enabled by technology has resulted in strengthening our customer engagement and relationships.

**TC-SI-550a.1- Number of (1) performance issues; and (2) service disruptions; (3) total customer downtime**

Our customer centricity approach is designed to proactively and effectively address performance issues and manage service disruptions or customer downtime if any within our SLAs. We have strong monitoring and governance mechanisms and robust certifications to underscore our commitment to customer delight.

**Green Solutions**

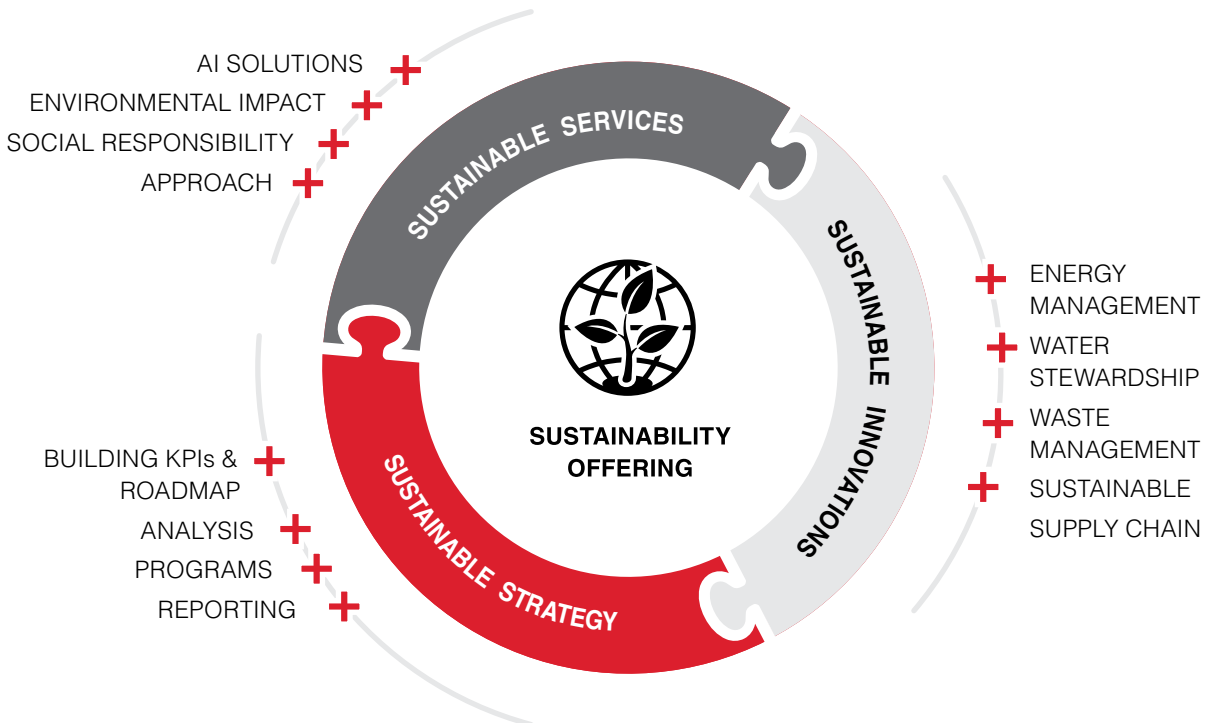
As a customer-centric organisation, Tech Mahindra is focused on understanding customers' needs and developing customised, scalable, and innovative technology solutions to help manage customer pain points. Customer and employee satisfaction, energy reduction projects, and operational eco-efficiency to address climate change are some of the important parameters of our CEO's Balance Score Card. Tech Mahindra's sustainability framework is geared towards building an enduring business by rejuvenating the environment and enabling stakeholders to 'Rise'.

As ESG and climate priorities gain momentum, we support our customers in their ambitions to meet

their compliance requirements and go beyond. These efforts are focused on climate, energy, water, resource efficiency, sustainable mobility, and waste management. We provide our customers with qualified sustainability experts who have the knowledge and experience in applying sustainability concepts to businesses. We provide trustworthy advice on environmental standards in the jurisdictions our customers operate in and offer innovative and cost-effective methods for developing a sustainable design for their offerings. We are convinced that the new economy of "green consumers" offers boundless opportunities for innovation and revenue growth.

Tech Mahindra supports its clients to embed sustainability strategies through its service offerings while building long-term value in this agile world. We strive to take a lead in enabling the shift of the global economy towards a sustainable future by supporting our customers to incorporate a variety of initiatives. We enable a focus on the transition to low carbon, green buildings, energy-efficient operations, switching to renewable energy, water efficiency, and green mobility into our product portfolio. Integrating sustainability with digital presents an opportunity that can enable the transition to a green digital economy.

**Support across the Sustainability Journey: End-to-End or Specific to a Pain Point**



- + Sustainability Initiatives Optimisation Support:**

  - + Managing the business and its environmental impacts using globally recognised frameworks such as the Greenhouse Gases (GHG) protocol
  - + Translating analytical insights into actionable cost savings, risk mitigation, opportunities and economic value
- + Sustainability Reporting Support:**

  - + Assess client sustainability performance under international sustainability frameworks, including GRI, SASB Standards, Integrated Reporting <IR> and other relevant frameworks
- + Sustainability Strategy and Financial Planning Support:**

  - + Design and optimise responsible investment strategies to generate both financial and measurable environmental and social returns
  - + Assess, analyse and evaluate the environmental and social footprint of investments and green bonds
- + Sustainability Assurance Support:**

  - + Client advisory to improve the credibility and reliability of their sustainability disclosures
  - + External audit and assurance on sustainability reports, GHG statements and other non-financial disclosures under standards such as GRI and ISAE 3000
- + Environment, Health and Safety (EHS) Support:**

  - + Support navigation of EHS risk and compliance by integrating critical processes into operational risk management and sustainability programs
  - + Review of implementation against the ISO 14001 or other similar bespoke frameworks
- + Support for Sustainable Supply Chains:**

  - + Refine supply chain lifecycles and manage internal operations by addressing issues in supplier engagement
  - + Address extended producer sourcing strategy, packaging procurement, closed-loop recycling and supply chain transparency

With Tech Mahindra’s decade-long expertise and deep domain know-how in sustainability management and resource optimisation, we offer support across the lifecycle, from initial assessment to management and maintenance of the implemented solution. Our climate-friendly and user-centric designs can optimise processes, materials and factory layouts to reduce waste at every stage. Designing good user experiences leads to higher adoption with less waste, optimal utilisation and reduction in climate impacts.

**Green Dashboard:** This enables the provision of sustainability information transparently for accurate and efficient ESG and sustainability reporting. The Green Dashboard enables transparent and fully compliant sustainability management and reporting to reduce the risk of non-compliance. It tracks gaps between defined targets and actual performance, analyses performance, and enables decision-making to improve sustainability performance. It is an ideal tool to measure and report GHG emissions, which can be used for action plans on reductions in annual emissions or by a target year.



## Climate Solutions

### Intelligent Electric Vehicle Charging System

TechM has built a platform called Intelligent Electric Vehicle Charging System (IEVCS). IEVCS uses data science, embedded systems engineering, and communication standards to build an integrated solution platform powered by SAP HANA. The platform is integrated with a smart meter, an in-home display, a mobile app, and an electric charger that provides information on charging patterns and the cost of charging the vehicle.

**Impact:** Enhances asset life by 20-30%, reduces maintenance expenses, and avoids congestion on the power grid.

### Greening the Data Centres

TechM Data Centre Services through our green data centre solution has enabled our customers to reduce CAPEX, continually improve productivity, and improve customer satisfaction through proactive maintenance and management of data centres.

Our platform enables energy management (Tech Mahindra Ecotech) including optimum use of backup facilities (diesel generators, batteries) to significantly reduce the energy cost.

Tech Mahindra provides disaster recovery, remote infrastructure management and maintenance services after installation.

## Renewable Energy Solutions

### Connected Solar Plants

(Refer to [link](#) for details.)

Monitoring a large number of distributed solar plants globally requires multiple people at different locations, often at remote locations.

TechM has developed an IoT-based solution called Connected Solar Plants which besides connecting them, helps in forecasting production and monitoring sub-stations, analysing real-time trends auditing and reporting energy production. The plug-and-play device support sends timely alerts and notifications during critical events to avoid any inadvertent incidents.

### Renewable Insights Platform

(Refer to [link](#) for details.)

Tech Mahindra offers a complete suite of products and services to the RE industry for streamlined asset management to embrace digitisation to improve the overall asset and operational agility of wind and solar energy sources.

- + 24\*7 Command & Control Centre team to monitor plants for an optimised generation
- + Remote asset health monitoring & analytics
- + Reduce reactive maintenance and unplanned downtime through analytics and alerts
- + Real-time production forecasts, interactive performance analysis, automatic fault localisation
- + Smart features include SCADA/Grid status and location maps

**Energy Management Solutions**

Tech Mahindra is an experienced solution provider in the Energy and Utility business across Power, Water & Wastewater, Renewable, Electric Vehicle, Microgrid, Natural Resources and Mining sectors. We provide digital technology, business consultancy, infrastructure & enterprise security, platform & network services, etc., to boost their quality of service and productivity. Offerings include Renewable Insights, a TechMNxT IoT platform solution on Microsoft Azure and Amazon Web Services for solar and wind companies to meet the changing current and future needs of the industry. Refer [link](#) for details.

**Integration of Distributed Energy Resources (DER) to the Grid**

De-carbonisation & shifting to alternative energy sources need the creation or modification of existing grid infrastructure to accommodate integration with DER grids sourcing energy from solar farms, roof-mounted customer solar panels, wind farms etc. DER presents to the utilities, a completely new business model. The priority for the distribution companies is to work on the grid infrastructure to accommodate the DER-related variations that may not be easy to predict. Ensuring reliable and quality supply in this unpredictable demand-supply chain is a challenge.

For DER connectivity to the grid, TechM has multiple offerings that can be leveraged

- + Asset intelligence with connected assets and smart metering
- + Smarter workforce and connected experiences
- + 5G communication for faster and reliable data capture
- + Micro-grid as a service
- + Renewable energy asset management

<https://www.techmahindra.com/en-in/blog/integration-of-distributed-energy-resources/>

We also address the utility industry’s challenges with our continuous investments in innovative ideas and solutions. We offer new business models, optimise business processes, create a customer experience and transform business across the spectrum.

**Smart Meter Solutions:** Customised energy-saving solutions for Smart Cities especially designed to monitor and analyse the electric circuitry on parameters such as current, voltage and frequency.

- + Captures energy demand and consumption patterns with real-time alerts on faults, leakages, and abnormal consumption of energy, to enable pre-emptive actions

**Impact:** Reduced carbon emissions by 25% to 30% and saved energy by up to 25%.

**Smart Energy Platform:** A solution that integrates home appliances connected to a Home Area Network (HAN) with a smart meter for real-time energy consumption data and In-House Display (IHD) units that enable consumers to manage energy consumption from their homes. While pre-built components provide up to 80% ready-made solutions, it can be customised to accelerate the development cycle and go-to-market.

**Impact:** Reduces cost by 50% and can be easily scaled up due to its modular software and hardware design.

## Smart City Solutions

Tech Mahindra is creating a future-ready holistic ecosystem to support the development of smart, safe, efficient, and sustainable cities with active citizen participation to improve the overall quality of life. We address needs across smart mobility, energy, e-governance, and public safety globally. Our Italian design subsidiary company Pininfarina, helps integrate design thinking principles into our Smart City solutions enabling support in technology selection & design, its implementation & support and delivering operational savings.

### These Smart City solutions service offerings include:

- + Integrated Command & Control Center (ICCC) - TechM is a pioneer in establishing an integrated command and control centre for Smart City implementations
- + Smart Energy Management - helps for efficient energy management for buildings, etc.
- + Smart Lighting - remotely monitored, controlled lighting solutions with flexible connectivity modes – 3G/4G, Private LTE, etc.
- + Smart Waste Management – field-proven waste management solution that is integrated with fleet systems for the efficient disposal of waste
- + Intelligent Traffic Management & Smart Parking
- + Connected Water Management - help monitor the quality of water, storage, and distribution with the implementation of automated water billing
- + Connected Citizen Services provides an e-governance portal with smart dashboards and ease of access for G2C services
- + Smart Grids connect every part of the city to better ensure intelligent monitoring and data collation

Watch Tech Mahindra's end-to-end implementation to enable the Gandhinagar Smart City vision.

### Connected Kanpur Smart City - End-To-End Transformational Roadmap

As an integrated service provider, TechM efficiently implemented the required smart technologies and will manage operations and maintenance for 5 years after project completion. We set up:

- + An Integrated Command and Control Centre (ICCC) with AI-based surveillance
- + Environment Management System
- + Integrated Traffic Management System with a Smart Parking System
- + City Wi-Fi and a Web Portal & Mobile App

See More: <https://youtu.be/jhac2-QfbLQ>

**Water Management Solutions:** The pipeline monitoring system for freshwater, sewer water and stormwater has an automatic fault detection feature, using advanced machine learning. It helps to determine the condition of the pipes and their locations from the inspection footage through a cloud platform. This data is stored and mapped in the cloud, turning a 2-day process into a 2-minute one.

- + Reprioritises staff workload by streamlining storage mapping and analysis
- + Accuracy through AI and cloud computing efficiency

**Impact:** Reduction in cost by 33% and task time by 75% and improves reviewing accuracy by 15%.



**Case Study: Digital Transformation Journey for UAE’s Electricity And Water Utility**

The Company caters to the needs of electricity and potable water for the population of the Northern Emirates.

The main objective for us was to focus on a digital transformation journey for optimisation of billing cycles while providing enhanced visibility and enablement to the customers.

- Provided TIS-Utilities for over half a million customers covering implementation of ISa-U Modules, CRM for Utilities, IS Utilities Device Management, IS Utilities Billing, IS Utilities FI-CA (Contract Accounting), UCES (Utilities Customer E-Services) and Enterprise Portal Mobility
- Introduced an App for hand-held devices for meter reading, upload & download and an application for work orders – Human Capital Management (HCM), Plant Maintenance (PM), SRM including RoS Development support templates for each ERP module to capture business processes

**Impact:** Quicker meter to cash cycle by optimisation of billing cycles. Online view/payment of bills. Better customer service through the integration of Avaya to CRM and IS-U. SMS communication on outages, service orders, and bills. Refer [link](#) for details.

**CORPORATE CITIZENSHIP**

At Tech Mahindra, we consciously align business profitability and corporate responsibility. We are governed by the purpose of creating value for all stakeholders and the Corporate Citizenship agenda is focused on creating an equitable and inclusive society to support sustainable social integration and transformation. All our CSR programmes are directed at creating a positive impact on the overall socio-economic development of the communities we engage with.

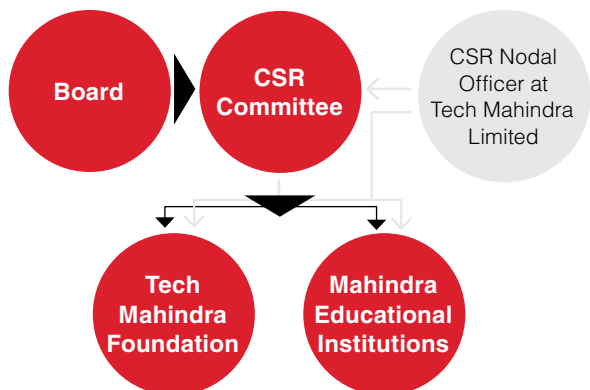
Our CSR vision is “Empowerment through Education”. CSR to us means responsible business practices involving all relevant stakeholders to pursue social objectives during the normal course of business thereby contributing to a larger cause. This purpose is enabled by business policies that are ethical, equitable, environmentally conscious, gender-sensitive, and considerate towards the differently-abled.

(Chair of the committee), Ms. M. Rajyalakshmi Rao, Mr. Haigreve Khaitan, Mr. Manoj Bhat, and Dr. Mukti Khaire. The Board and CSR Committee periodically review the activities of Tech Mahindra Foundation (TMF) and Mahindra Educational Institutions (MEI).

TMF implements the initiatives in the thematic areas of Education, Employability and Disability while MEI collaborates with existing academic institutions and establishes new institutions of higher technical learning to promote quality learning. Since Tech Mahindra Limited has more than 75% of its business operations in India, all its CSR activities are implemented in India through the TMF & MEI and as per the Companies Act, 2013 of India. TMF and MEI are Section 25 Companies set up under the Companies Act, 1956 and are 100% subsidiaries of Tech Mahindra Limited.

**GOVERNANCE OF THE CORPORATE CITIZENSHIP STRATEGY**

The CSR Committee formulates the corporate citizenship agenda at the Board level and guides the implementation of the CSR Policy and strategy with clearly defined areas of intervention for its administration. The annual budgets and list of programmes, projects, and activities are presented by the heads of Tech Mahindra Foundation (TMF) and Mahindra Educational Institutions (MEI) to the CSR Committee for its approval and are recommended to the TML Board for finalisation. Tech Mahindra Limited’s CSR Committee comprises Mr. C. P. Gurnani



## CSR EXPENDITURE

The CSR Committee recommends the annual project-wise budget and expenditure, to the Board for review and approval. TechM spends more than 2% of the average net profit (as prescribed by the government) on the implementation of CSR projects and activities across India. All project proposals are evaluated against stringent criteria upon review by the CSR committee, additionally, the reasons for underspending (if any) are mentioned in the Board report. We spent ₹ 108.60 Crore in CSR activities in FY 2021-22

Year	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
₹ In Crore	90.36	118.11	105	108.60*

\* includes overheads of ₹ 4.53 Crore

## TECH MAHINDRA FOUNDATION

Amidst a period of global uncertainty, TMF continued to be resilient in furthering its activities and also responded dynamically to the needs of its beneficiaries. During the second wave, we pivoted our CSR programmes and realigned the direction of our efforts. We introduced initiatives to support frontline workers including Healthcare, Security and Sanitation workers with equipment and specific training related to COVID care. We also worked with some of the most vulnerable sections by providing dry ration kits, cooked meals, direct cash transfers and sanitising community toilets, etc. In addition, we recognised the need to support the healthcare system during the second wave through oxygen plants, ambulances and critical hospital infrastructure including ventilators, BiPAP, concentrators, etc. Through our COVID response program, we have been able to impact over 2.5 Mn lives.

We faced the challenge of continuing our efforts in education and employability when offline models became untenable keeping in mind health and safety. We rapidly adopted digital modes of education and a new set of challenges including hardware, digital literacy and connectivity. We supported our beneficiaries with tablets and laptops as well as connectivity support and developed comprehensive online modules for continuing our initiatives. This also meant the need for capacity building in teachers as well as direct beneficiaries on aspects related to Digital Literacy, Cyber Security & Safety. The lockdown also brought to the fore the growing concern of mental health and child abuse incidents among children. We initiated focused interventions and training programmes on aspects including Mental Health Awareness, and Child Protection & Safeguarding. Our learning from this experience has manifested in the adoption of blended modes of education and skilling to increase our reach, effectiveness and impact through the deployment of blended (digital and physical) learning pedagogy.

We also started new initiatives across our SMART programme in the healthcare domain, with a strategy to improve placements and upskill healthcare professionals. We saw an increase in the number of enrolments at our SMART Healthcare Academies and are currently setting up our 5th SMART Healthcare Centre in Navi Mumbai. Promoting the active inclusion of Persons with Disabilities and other marginalised segments into the workforce is a high priority area for us. We address societal inclusivity through our ARISE+ and SMART+ programmes and offer a specially designed curriculum to cater to different types of disabilities such as Visual Impairment, Hearing Impairment, and Intellectual and other developmental disabilities. We are proud that TMF has impacted 41,374 direct beneficiaries across all its programmes, in the reporting year and cumulatively 332,732 direct beneficiaries.

We, at TMF, are committed to doing whatever it takes to ensure that we 'Rise for Good', by delivering impactful programmes for some of the most under-served segments of society. To put the interest of the beneficiaries first is and will always be, the guiding principle driving the Foundation's interventions.

**- Rakesh Soni**

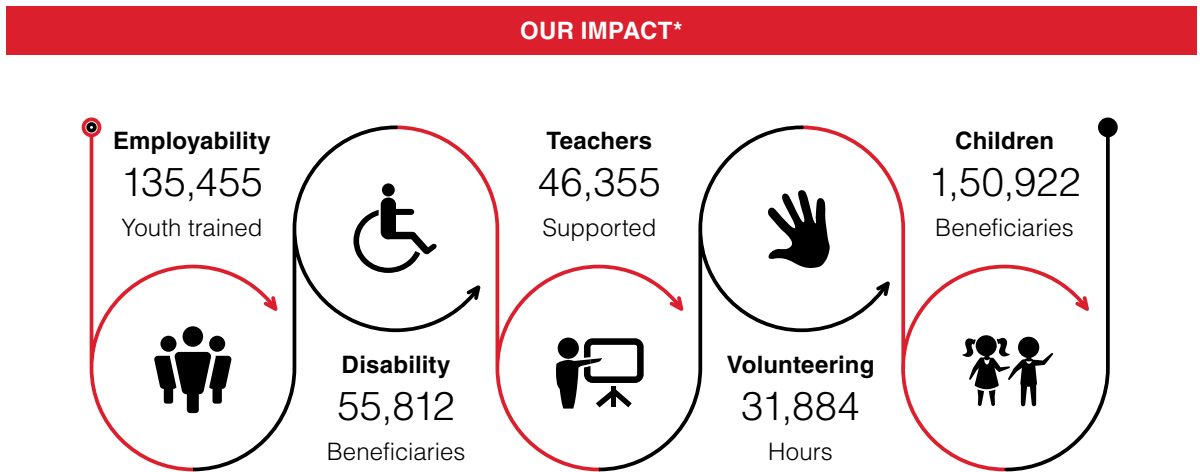
Chief Executive Officer, Tech Mahindra Foundation

We stand out as both a grant-making and an implementing organisation across our themes of addressing Education, Employability and Disability through skill development and capacity building. The focus is on continuous improvement by regular review and evaluation of outcomes against the stated objectives for each project. Through innovation, the emphasis is on the proactive introduction of new concepts and initiatives with the spirit of experimentation to arrive at new and better solutions. Another hallmark of the TMF way is to stay “close to the ground” by actively engaging with beneficiaries and community stakeholders regularly to understand their needs and design the most effective solutions for them.

The key focus areas for Corporate Social Responsibility at Tech Mahindra Foundation are on improving employability, providing education, and empowering those with disabilities. Disability and Women Empowerment are cross-cutting themes around inclusion, and we work with the Board mandate that 50% of our beneficiaries are women and 10% are Persons with Disabilities. In 2021-22, the number of women beneficiaries was 22,155 (53.5%) and the number of PwD beneficiaries was 5,318 (12.9%). Corporate volunteering is a focus area for TechMighties as they undertake Individual Social Responsibility activities to bring about a sustainable impact and social transformation in the quality of the lives of underprivileged youth and children. Read more about [TMF](#).

### Our Programmes

Employability		Education	Disability	



- + Over the years, we have impacted 332,732 lives cumulatively across all the programmes (41,374 in FY 2021-22)
- + In addition, we impacted 2.5 Mn lives through our COVID Response program

### Employability

TMF supports the Government of India's vision of skill development of youth by developing market-oriented skills and making them employable under its flagship program-SMART (Skills-for-Market Training). This programme seeks to benefit school drop-outs, persons with disabilities, and those unable to obtain higher education with a specific focus on the employability of women.

### SMART (Skills-for-Market Training) Centres





TMF's flagship project operates as a directly implemented programme known as SMART Academies and a partner-implemented programme that runs through partnerships with NGOs. Our SMART Centres provide employability skills training to urban youth from economically weaker sections. The SMART programme emphasises foundational skills such as Spoken English, Basic IT, and Workplace Readiness. A total of 15 domains and 50 courses are being offered to students for them to opt from at the

SMART, SMART+ (for Persons with Disabilities), and SMART-T (Technical) Centres. The total number of SMART Centres in FY22 was 86. [Read more.](#)

### SMART Academies

SMART academies aim to create, build and nurture a skilled workforce along with uplifting the country's youth and transforming them into skilled professionals. The SMART academies follow the blended learning model including online education and offer courses on skilling and upskilling. The academies have highly qualified faculty and state-of-the-art infrastructure including labs and equipment to aid student learning besides providing job placement assistance to the students. Needy and deserving students are provided with scholarships and sponsorships.

In FY 2021-22, TMF ran 4 Tech Mahindra SMART Academies for Healthcare, 3 Academies for Digital Technologies, and 1 Academy for Logistics under its directly implemented programmes. [Read more](#)


SMART Academy	Description	SDG Impact
<b>SMART Academy for Healthcare</b>	Training to become skilled paramedical professionals and augment the healthcare system throughout the country. These premier institutes offer diploma and certificate courses.	
<b>SMART Academies for Digital Technologies</b>	Providing quality training through various Digital Technology courses and Employability skills to address the increased demand for new-age job-oriented digital courses.	
<b>SMART Academy for Logistics and Supply Chain Management</b>	Set up in Visakhapatnam, Andhra Pradesh specifically to fulfil the demand for skilled logistics and supply chain professionals in the sector and offers training in the English Language, Soft Skills, and Personality Development.	
		

### Accreditations



## Education

The right to quality education is at the heart of the TMF education programme and underpins its commitment to provide quality education to children and improve their learning outcomes. The scope is expanded to include capacity building and training for teachers to ensure the application of their learning experiences while teaching students. The agenda of ensuring universal elementary education for all is reinforced and executed through ARISE and Shikshaantar.

Initiative	Description	SDG Impact
<p><b>ARISE</b> <a href="#">Read more</a> No. of Projects: 15</p>	<p>The All Round Improvement in School Education (ARISE) programme is strategised on four key dimensions to achieve comprehensive improvement in schools which are academic, social, infrastructural, and organisational. The programme is implemented across 15 Schools in Bangalore, Bhubaneswar, Chennai, Delhi, Hyderabad, and Pune.</p>	
<p><b>Shikshaantar</b> <a href="#">Read more</a> Number of Teachers trained: 9,573</p>	<p>Shikshaantar is our flagship capacity-building programme for school teachers and educators to unleash their best potential for creating safer and happier classrooms. It creates and nurtures a learning community of students, teachers and school leaders to make a fundamental shift in education. Emphasis is on the integration of the physical, mental, social, and emotional well-being of the students and teachers. The initiatives under this are:</p> <ul style="list-style-type: none"> <li>+ In-service Teacher Education Institutes in association with EDMC (East Delhi Municipal Corporation) and NDMC (North Delhi Municipal Corporation)</li> <li>+ Science Academy for Teachers at Hyderabad</li> <li>+ English-Winglish, a teacher training programme for English language proficiency for teachers in government schools in Delhi, Mumbai &amp; Pune</li> <li>+ A collaboration with Tripura State Govt for capacity building of teachers</li> </ul>	

### Collaborators and Partners





### Research Initiatives at ITEI

ITEI Faculty conducts in-house Educational research to contribute to knowledge development, practical improvement and policy information in the sphere of education. The research proposals focus on research gaps in different domains of education and are integrated along with imparting training to the teachers of government and aided schools. The research reports on improving the teaching-learning experience in schools can be found here.

## Disability

Disability is the third major area of intervention where TMF focusses on the inclusion and mainstreaming of the Persons with Disabilities (PwDs). As per the CSR Board mandate, 10% of our beneficiaries each year are PwDs. The thrust is on helping them gain equal opportunities for a better future and a dignified life through our two programmes ARISE+ and SMART+. These are implemented through NGO partners who are subject matter experts in their domain. [Read more](#)

Programs	Description	SDG Impact
<b>SMART+</b> (Skills-for-Market Training for Persons with Disabilities) <b>Number of projects 14</b>	A uniquely designed curriculum with well-equipped classrooms for vocational training and skilling of PwDs to communicate and learn effectively. Besides offering skill training, this programme also trains youth in basic English and workplace readiness skills preparing them for the best suitable employment opportunities.	 
<b>ARISE+</b> (All Round Improvement in School Education for Children with Disabilities) <b>Number of projects 28</b>	ARISE+ is a special programme that encompasses the Foundation's work in the area of school education for persons with disabilities in the age group 3-18 years. The programme focusses on providing adequate education for persons with disabilities and enabling them to thrive fully, despite their physiological challenges.	

### Partner Organisations



	Initiatives in FY22
<b>SMART Academy for Healthcare</b>	<ul style="list-style-type: none"> <li>+ Collaborated with Life Sciences Sector Skill Development Council (LSSSC) to facilitate skilling and affiliation of the Medical Sales Representative course</li> <li>+ Delhi Healthcare Academy became the International Training Center authorised by American Heart Association for Basic Life Support (BLS), and Heart Saver First Aid &amp; CPR courses</li> <li>+ Joined hands with Mohan Foundation to introduce a course for upskilling Organ Transplant Coordinators</li> <li>+ Launched SMART Incubation programme with Institute of Rural Management Anand and Haqdarshak as knowledge partners to enable Medical Lab Technicians in starting/manage their existing business</li> <li>+ Mumbai Healthcare Academy is registered with the National Apprenticeship Promotion Scheme (NAPS) scheme of GoI under Skill India</li> </ul>
<b>SMART Academy for Digital Technologies</b>	<ul style="list-style-type: none"> <li>+ Joined hands with Amazon Web Services (AWS) to be the implementation and training partner for the AWS re/Start Programme to create a pool of skilled cloud computing professionals</li> <li>+ Collaborated with IT-ITeS Sector Skills Council NASSCOM for Assessments and Certification for UI/UX Developer course</li> </ul>

<p><b>SMART Centres</b></p>	<ul style="list-style-type: none"> <li>+ Joined hands with Global Mentorship Initiative (GMI) to provide career-focused guidance to our SMART students to build promising careers</li> <li>+ Partnered with YuWaah Organisation as enabling partner to support youth by connecting them to aspirational socio-economic opportunities</li> <li>+ Launched 'YuWaaz - Voice of the Youth' initiative to Reimagine, Refine and Raise our vision of supporting the employability of youth in India</li> <li>+ Collaborated with AEGIS, a Financial Services Consulting provider to facilitate placement opportunities and Voltas Service Centre, Delhi, our knowledge partner for the practical classes for SMART students</li> </ul>
<p><b>SMART+</b></p>	<ul style="list-style-type: none"> <li>+ Joined hands with GE Power to support Children with Disabilities and distribute assistive technology among our beneficiaries</li> <li>+ Released the 'Wonderbook - A Mosaic of Visual Expressions' featuring contributions by ARISE+ students</li> </ul>
<p><b>In-service Teacher Education Institutes (ITEIs) and ARISE</b></p>	<ul style="list-style-type: none"> <li>+ Launch of E-Library - a repository of learning resources launched in January this year</li> <li>+ Partnered with Rotary Literacy Mission to enhance digital literacy in Govt. School Teachers</li> <li>+ Launched Digital Literacy teacher training programme in Bihar with Quest Alliance &amp; Bihar Education Project</li> <li>+ Collaborated with Fortis School of Mental Health &amp; Macmillan Education to train teachers on Mental Health. Thereby, creating a pool of ITEI teachers as facilitators for the integration of Social-Emotional Learning (SEL) in the sphere of education in collaboration with the Centre for Contemplative Science and Compassion-Based Ethics (CCSCBE) at Emory University             <ul style="list-style-type: none"> <li>o Expanded SEE Learning by integration of SEL in programme curriculum across partners</li> </ul> </li> <li>+ Initiated an in-house research team and a department to create working knowledge and self-capacity building. This will help undertake action-oriented initiatives in the field of education and employability</li> </ul>

**Child Safety in Digital Literacy**

Teacher Training Initiatives were launched on 'Child Protection & Safeguarding' and 'Cybersecurity' in response to increases in child abuse cases and the risk of cybercrimes. The Child Protection & Safeguarding Committee (CPC) of the Foundation organised Child Safety Initiatives including training sessions in Child Safety & Safeguarding, Cyber Security (online safety), identifying early warning signs and much more.

There was a focus on capacity building of Government School teachers (and students) to help them understand the early signs, types of abuses & how to raise awareness to keep children safe. TMF teamed up with Rotary International Literacy Mission to train teachers on Cyber Security and Safety to create digitally safer classrooms for students.

TMF joined forces with WNS Cares Foundation (WCF) to raise the cyber safety quotient of over 24,000 beneficiaries of our programmes through WCF's Cyber-SMART portal. Government School teachers were trained in Digital Literacy programmes which included various ICT Skills like the use of Online Teaching Tools, Creation of Worksheets, Digital Pedagogy, and Cybersecurity to create happier and safer classrooms.

## SAAJHI SAMAJH

Saajhi Samajh – the discussion platform of Tech Mahindra Foundation has hosted several seminars with a focus on Education, Employability, and Disability. The platform is now an accepted medium of advocacy where we consciously choose topics to engage in meaningful discussions while gaining insights from experts and specialists.


 <p><b>Saajhi Samajh 4.0</b> <i>First Aid in Schools - Role of a Teacher</i> <b>Date: 13 September 2021</b></p>	 <p><b>Saajhi Samajh 5.0</b> <i>Eye Health for Children- Leading through Knowledge</i> <b>Date: 12 October 2021</b></p>	 <p><b>Saajhi Samajh 6.0</b> <i>Including Disability at the Workplace: From Aspiration to Action</i> <b>Date: 6 December 2021</b></p>	 <p><b>Saajhi Samajh 7.0</b> <i>A discussion on Integrating Social-Emotional Learning in Education</i> <b>Date: 11 March 2022</b></p>
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## ALIGNING CSR STRATEGY WITH EVOLVING STAKEHOLDER NEEDS

At TMF there is a relentless focus on understanding and addressing the needs and interests of the beneficiaries first. TMF's CSR strategy is intentionally aligned with the evolving needs of the beneficiaries. Adopting innovative engagement approaches, the emphasis is on the 'What, When and How' to fulfil beneficiary needs. In the reporting year, the CSR programmes were reoriented to contribute to the National Priorities, while remaining committed to achieving impact-driven outcomes. TMF directed its support towards the most vulnerable population

including Healthcare Workers, Security Personnel, Sanitation Workers, Migrant workers, Daily-wage earners, and households from the bottom-most of the pyramid in the quickest possible time.

Based on focused interactions with beneficiaries and partners, we enhanced our efforts in 4 key areas viz., skilling & upskilling of healthcare professionals including capacity building of front line workers, bridging gaps in digital skills & technology access as well as undertaking initiatives for mental health awareness and child welfare. Our Mind@Ease initiative as an aggregator of counselling services is discussed in the SDG Report.

COVID Response	+ Augmenting Healthcare Infrastructure	+ SDG Impact
<ul style="list-style-type: none"> <li>+ <b>582 Projects</b> Supported across 17 states</li> <li>+ <b>9.52 Lakh</b> Supported with Dry Ration Kits</li> <li>+ <b>5.45 Lakh</b> Cooked Meals Distributed</li> <li>+ <b>4,286 families</b> Supported with Direct Cash Transfer</li> <li>+ <b>305 Community Toilets</b> Sanitised which are used by 3.05 Lakh beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>+ 55 Hospitals supported with medical equipment and other consumables</li> <li>+ 62,010 PPE kits provided to Frontline Workers</li> <li>+ 20 Basic Life Support Ambulances donated</li> <li>+ 10 Oxygen plants and 5,000 oxygen cylinders donated</li> </ul>	
<p><b>31,884+ hours volunteered</b> by TechM employees in FY22</p>		



Frontline workers including the Sanitation workers (safai karamcharis), Aanganwadi and Social Workers were trained on good practices related to the prevention of COVID through our COVID Swayam Suraksha Training while performing their duties in the communities like:

- + Solid waste handling, Septage management, and Street sweeping
- + Community visits for Data Collection, Awareness drives, and Vaccination Initiatives
- + Distributing rations, Identifying the Coronavirus hotspots
- + Providing critical services to vulnerable groups

## IMPLEMENTATION FRAMEWORK

<b>+ Need Assessment</b>	TMF partners with NGOs and follows an indigenously developed framework for need assessment at the grassroots level. The effectiveness of impact is driven by engagement with beneficiaries and community stakeholders for needs assessment and to facilitate a systemic design-based solution. One of the prerequisites to assess the viability of any CSR project is a need assessment. For example, a need assessment report to open a SMART Academy was undertaken at Pune for both digital technologies as well as healthcare domains to understand: a) the top job roles available in the allied healthcare space, and b) the challenges and socio-economic background of the unemployed youth from Pune and Pimpri Chinchwad Municipal Corporation.
<b>+ Enrolling Partner Organisations</b>	Enrolment of a partner is a consciously thought-through process that involves due diligence and looking at the alignment of the focus areas that the partner has vis-à-vis TMFs. In the beginning, a baseline is done to understand whether our KPIs are in sync with that of the partner as also the structure of the organisation that can be adopted and replicated to be on the lines of SMART. Only after having evaluated the centre in almost all respects (as per norms) do we rope in the centre as a SMART Centre. All projects at TMF follow strict processes right from due diligence done at the time of onboarding to following due process and the intended timeline towards their maturity.
<b>+ Systems and Processes</b>	We rely on robust data collection and analysis to make data-driven decisions. There are detailed SOPs for all the processes. The Internal L&D team focusses on capacity building in the areas of curriculum development, training of trainers, support in the creation of online libraries and assessments of the various projects and initiatives.
<b>+ Monitoring and Evaluation</b>	TMF continually improves its monitoring and evaluation mechanism to ensure every programme has clearly defined objectives and KPIs, a robust progress monitoring system, impact assessments, and a reporting framework and system in alignment with the programmes of the Foundation.

### Internal Policies

The implementation of the CSR programmes at TMF is enabled through various policies which create a safe and secure working environment as mandated by CSR law and the TechM code of conduct. The policies on Child Protection and Safeguarding, Prevention of Sexual Harassment at Workplace, Diversity and Whistleblower Policy are followed by all the stakeholders – TMF staff, beneficiaries as well as NGO partners. [See details of the policies here.](#)

## CORPORATE VOLUNTEERING

TMF creates opportunities for TechM associates to further their Individual Social Responsibility goals by volunteering their time and skills across locations for the development of socially and economically disadvantaged communities. This builds empathy and understanding of social inequalities amongst the associates. This is a self-driven and self-sustained model of volunteering; wherein, each Tech Mahindra associate gives their time towards creating societal impact.

### Volunteering - Building a community of change

	2018-19	2019-20	2020-21	2021-22
No. of volunteers	31,830	32,063	8,653	821
Total hours clocked	164,278	168,176	14,080	31,884

### Notable Recent Awards And Recognitions

 <p>CSR Times Award 2021 (Silver) for our Shikshaantar Programme</p>	 <p>Mahatma Award 2021 for COVID-19 Humanitarian Efforts</p>	 <p>Felicited as Leaders of Sustainable change at ET SDGs Summit for our initiatives in the Sustainable Space</p>
 <p>Rotary CSR Awards 2021 in the Community Development Category for Exemplary Work with Sustainable Impact</p>	 <p>TheCSRUniverse 'COVID Response' CSR Impact Awards 2021 in Skill Development and Livelihood Category</p>	 <p>AIMA 8th Business Responsibility Summit &amp; Project Excellence Contest &amp; Awards 2021 (2nd Runner Up) for our COVID Relief &amp; Rehabilitation Programme</p>

## KEY PERFORMANCE INDICATORS

### GRI 413-1: Operations with implemented local community engagement, impact assessment, and development programmes.

In the current year, despite the setbacks to on-the-field programmes caused by disruptions due to the pandemic, TMF relentlessly paved the way to create a formidable impact on its beneficiaries. The total beneficiaries impacted in FY22 is 41,374. Below are the beneficiary figures from across all the three programmes - Employability, Education and Disability. While the year did throw challenges at every level, it also prepared us to embrace digital learning and we intend to leverage the blended learning model to increase our reach, scale, and impact.

### Employability

Initiatives		Direct Beneficiaries											
		FY 2018-19			FY 2019-20			FY 2020-21			FY 2021-22		
		M	F	TG	M	F	TG	M	F	TG	M	F	TG
<b>SMART Centres</b>	No. of Youth Trained	7,294	8,900	-	8,465	9,579	22	6,019	6,674	14	7,470	7,694	25
<b>SMART Academies</b>	No. of Youth Trained	399			683			874			726	951	0
<b>Total</b>		<b>16,593</b>			<b>18,749</b>			<b>13,581</b>			<b>16,866</b>		

Average Salaries	2017-18	2018-19	2019-20	2020-21	2021-22	CAGR
SMART	8,692	10,322	11,311	11,943	12,246	9%
SMART-T	7,869	9,168	9,993	11,723	11,370	10%
SMART+	8,396	9,303	10,272	10,991	12,387	10%

## Education

Initiative	Description	Direct Beneficiaries			
		FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
ARISE	No. of Students	13,262	9,817	6,398	4,928
	No. of Schools	49	36	30	18
Mobile Science Lab	No. of Students		1,544	-	4,590
Mobile Science Lab	No. of Teachers	-	-	-	99
Shikshaantar	No. of Teachers Trained	2,578	3,797	6,378	9,573

## Disability

Initiative	Description	Direct Beneficiaries			
		FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
ARISE+	No. of Students	24,861	2,864	2,776	3792
	No. of Schools	19	20	17	28
SMART+	No. of Youth Trained	1,477	1,566	1,687	1,526

In addition, we impacted 2.5 Mn lives through our COVID Response program.

### Impact Assessment

TMF carries out Impact assessments to learn the outcomes of its CSR interventions. As part of TechM's CSR Policy, impact assessments by external third-party agencies are mandatory. The reports of the impact assessments can be accessed at: <https://techmahindrafoundation.org/reports/>.

### MEI – Mahindra Educational Institutions

Tech Mahindra established Mahindra Educational Institutions (MEI), a 100% subsidiary of Tech Mahindra Limited in 2013 under Section 25 of Companies Act, 1956 (referred to as a Section 8 Company under Companies Act, 2013). MEI has sponsored Mahindra University which has been notified by the Government of Telangana as per the

Telangana State Private Universities (Establishment and Regulation) Act, 2018 “educating future citizens for and of a better world”.

MEI through Mahindra University will drive a meaningful shift in the way higher education is delivered, besides focusing on infusing emerging technology into the education space and driving interdisciplinary academic excellence. It is integrating science and technology, humanities, ethics, philosophy, and design, with purpose. Our emphasis is on developing multiskilled leaders, who are ethical and empathetic, and capable of reflection as well as innovation. We offer a state-of-the-art academic infrastructure that is spread over 107 acres of sprawling green campus at Hyderabad. This vision

is in line with the Mahindra Group Rise Philosophy of “educating future citizens for and of a better world”.

The University aims to impart holistic education to a student population of around 10,000 students by 2030. This will be done by offering both undergraduate and postgraduate programmes in diverse streams of education. We collaborate or affiliate with other universities, teachers and scholars in India and abroad to promote quality higher education in various disciplines. To help drive our ambitions and strategy we continue to invest in qualified resources, especially for the teaching faculty. Additionally, we are building our infrastructure besides investing in cutting-edge technology equipment for our practical application and research labs and an ERP system to provide a single uniform platform to the university.

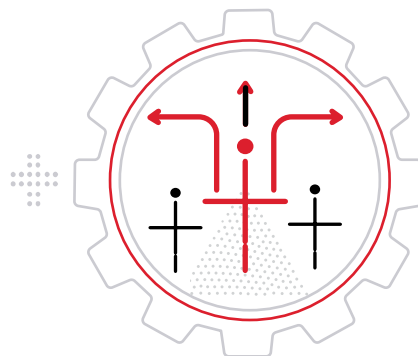
One of the key philosophical premises of Mahindra University is the coming together of the right and left brains to create the perfect balance. Further, the University is India’s first to leverage AI & EI (artificial & emotional intelligence) for both education as well as collaboration, across the board. Our ambitions include providing tertiary education, awarding degrees, fellowships, and scholarships for education, and organising conferences and seminars besides vocational training for the promotion of higher education.

In the year 2021, Mahindra University has launched new schools - School of Management, School of Law, and Indira Mahindra School of Education offering undergraduate programmes. The University plans to launch the School of Media & Liberal Arts and School of Design in the next 2 years. Each of these Schools will run UG, PG, and PhD programmes.

The university offers Undergraduate and Post Graduate programmes in its five Schools, namely Ecole Centrale School of Engineering, School of Management, School of Law, Indira Mahindra School of Education, and School of Media and Liberal Arts. Our focus is on making education very practical through inter-disciplinary learning through live industry projects, internships, and flexibility in course choices. The university has collaborations with world-class universities including Cornell, SC Johnson College of Business, Virginia Tech, Centrale Supélec, Frankfurt School of Finance and Management, BABSON, and the University of Florida.

Our leadership operates within a well-structured governance framework to ensure the institutionalisation of our organisation’s ideals and values. We have set up different committees, namely the Disciplinary Committee, Grievance Committee, and the Student Council to facilitate smooth functioning. Prof. Arun Pujari (Professor Emeritus) – Chairman, Student Affairs oversees the functioning of the Disciplinary Committee, Grievance Committee, and Student Council. These are supported by appropriate policies to guide all the stakeholders and enable the smooth functioning of the University. These policies cover the following aspects amongst others, Prevention of Sexual Harassment (POSH), Employee Service rules, Policy of Disciplinary Cases, Student’s Code of Conduct, and Research Incentives.

Feedback is a powerful tool for improvement, hence feedback from the students is taken twice every year. Based on the feedback from the students, the staff is evaluated on their performance. Any improvement required on any deliverable is taken up with concerned Staff. The Grievance Redressal Committee (Students) receives grievances for redressal, addresses the issue and suggests a resolution keeping in mind the grievance redressal policy of the University.



### Driven by a Research First Ideology

Our purpose is to establish institutions of higher learning encouraging education and research and promote innovation and technology development. Our faculty strives towards the development of Basic and Applied Research, catering to the industrial needs, training, and involvement of students.

Our research areas are predominantly engineering-focused; however, we also have teams working in the fields of media, economics, and humanities. Around twenty research teams are guided by faculty members who identify and develop high-level projects. They hold doctoral degrees from top-of-the-line Institutions/Universities in India with 230+ research papers published over 5 years.

The Research Advisory Council (RAC) advises on strategic research issues, major requests for research programme allocations, research core facilities, and general issues concerning research programme infrastructure.

We have designed a variety of teams supported by appropriate leadership and infrastructure to drive our research focus.

- + Centres for Excellence - COEs:** We are mobilising resources from various funding agencies, industries, and many others to excel and thrive in accomplishing quality research areas. Efforts are being made to explore funding from VGST, DST, CSIR, DBT, UGC, DRDO, ICSSR, UNESCO, UNIDO, IDBI, etc. The faculty members also explore funded projects from ISRO, NAL, BEL, HAL, Microsoft, and other organisations, institutions, and industries.
- + Research Programmes:** We run several PhD programmes where students are encouraged to undertake research in various disciplines and leverage our state-of-the-art facilities. Seminars and conferences play a significant role in disseminating valuable knowledge from eminent researchers. The research studies conducted at MU are also of social significance.
- + Research Labs:** Wireless Innovation and 5G are a focus area with a dedicated research lab focusing on key aspects and challenges related to the future mobile networks and emerging wireless technologies. Active research can be conducted related to MIMO communication, and AI/ML applications, among others.
- + Mahindra e-Hub:** We are creating an enabling ecosystem on campus to promote entrepreneurship, leadership and organisational skills. We also nurture those who want to solve, social, economic, and civic challenges through technology cutting across various sectors of the economy. For this, a Student Entrepreneurship, and Innovation Cell (EIC) has been set up. As an industry-agnostic technology-based incubator (TBI), we will formulate a comprehensive Intellectual Property (IP) Policy to encourage, enable and incentivise students. We support students to launch their entrepreneurial ventures and help faculty to commercialise their research. It provides a shared working space, mentoring support in technology and business development, legal aspects and IPR, funding, networking, and go-to-market strategy.

Read more about our leaders, mentors, and policies [here](#)

Read about our start-ups [here](#).

## Impacts/Achievements

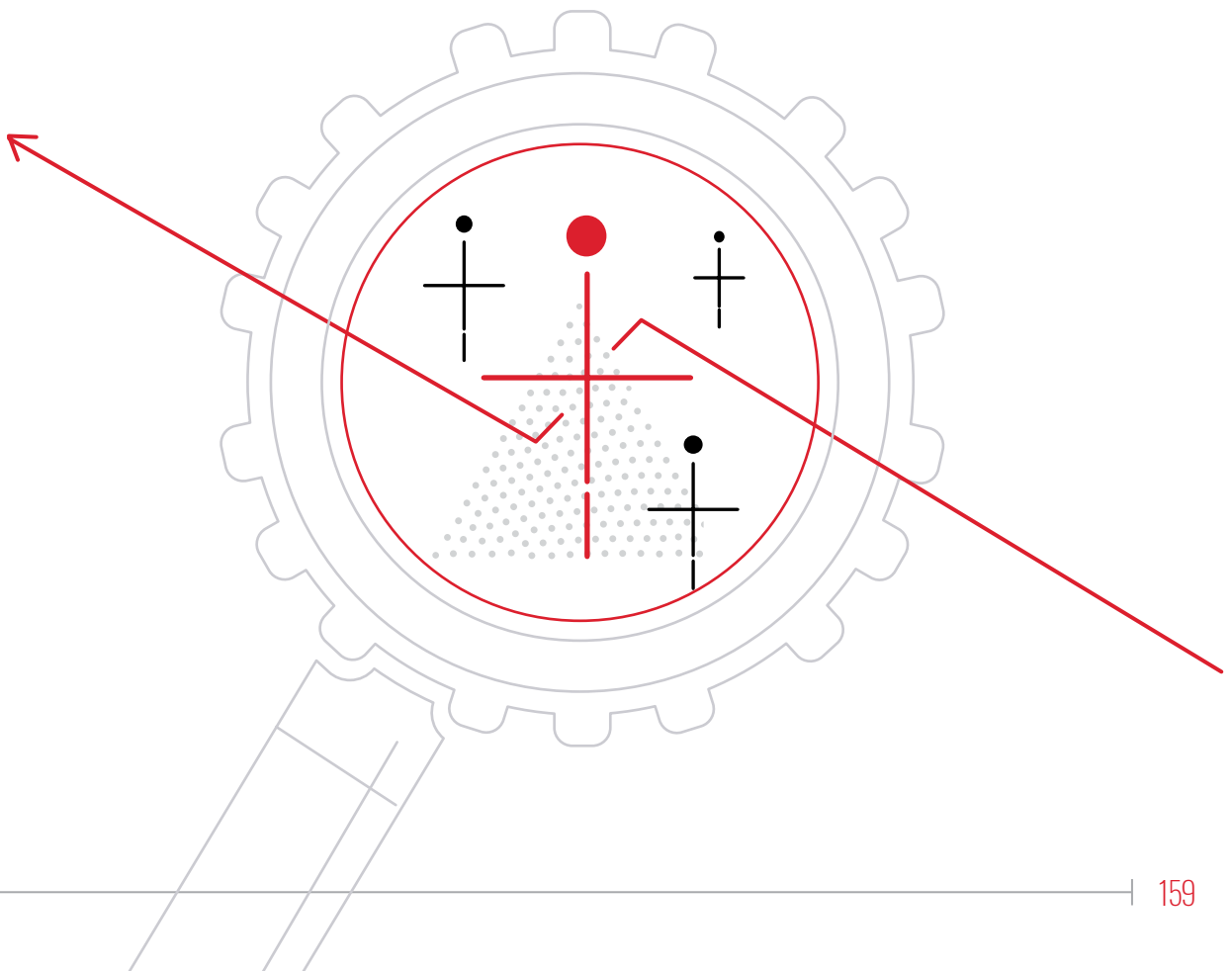
- + Recognised as a Scientific and Industrial Research Organisation (SIRO) by the Department of Scientific and Industrial Research (DSIR) Government of India
- + During the period 2020-21, faculty were able to obtain approvals from DST/SERB/DRDO for an additional 6 projects - 53 papers were published during this period
- + Applied for National Institutional Ranking Framework (NIRF ranking) for 2021 for Engineering programmes w.r.t Ecole Centrale School of Engineering
- + Ecole Centrale School of Engineering of MEI was recognised as the Most Emerging Technical School for Research and Innovation at the 16<sup>th</sup> World Education Summit 2020 Hyderabad
- + The University started its accreditation process with the submission of required documentation to the National Board of Accreditation for the four UG programmes in CSE, EEE, Civil, and Mechanical Engineering

- + In the 2021 academic session, 850 students were admitted to the University in UG, PG and PhD programmes, including 8 students in the PhD programme in Education

With the exposure acquired from the elite faculty at Mahindra University, our students have successfully gained admissions for higher studies at several leading Universities overseas. These include CentraleSupélec, Elsewhere Paris, Georgia Tech., Institute of Electronics and Telecommunications of Rennes, London School of Economics, MSS-MAT Lab, CentraleSupélec, Nanyang Technological University, National Sun Yat-sen University, Pace University and, Sondra Laboratories France.

Our alumni are studying and working in diverse capacities including as Sustainable Analysts, while another is undertaking a master's in digital Humanities and yet another as an ML Engineer at ST Engineering, Singapore.

Read more about our placements over the years, internships, higher education, and alumni [here](#).



# Sustainable Supply Chain

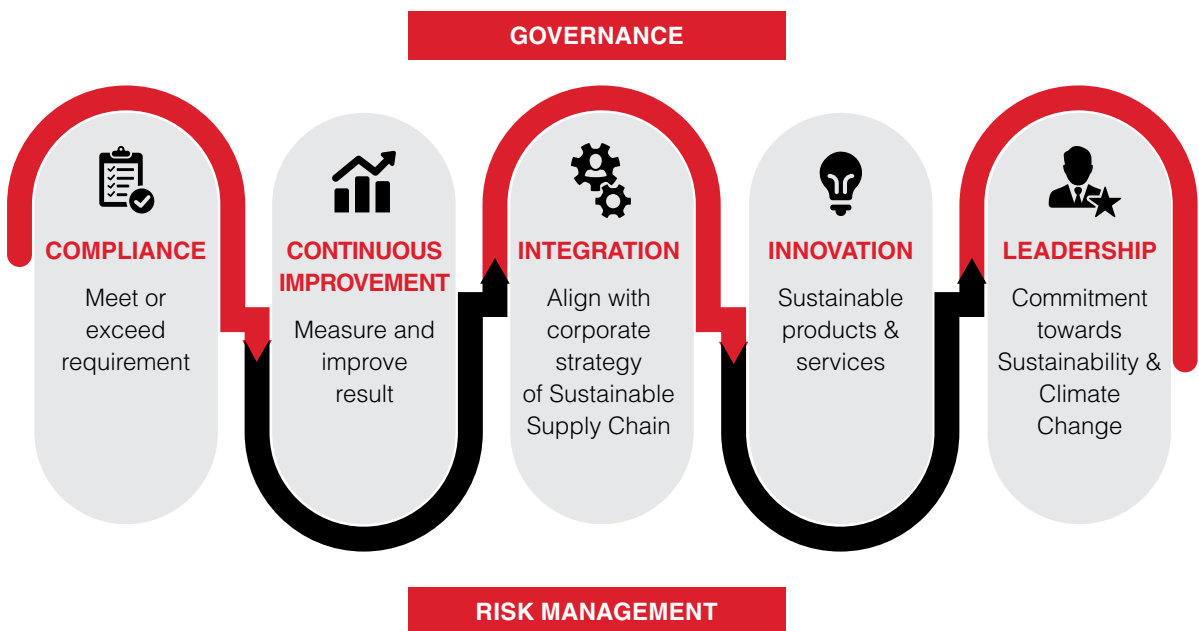
(GRI 308-1, 308-2)

Sustainable Supply Chain practices are one of the key challenges and opportunities to improve the sustainability performance of companies. The Supply Chain can have a significant impact on TechM’s operations, Brand Value, reputation, and business continuity. A sustainable supply chain can be a positive contributor to the success of TechM’s business and ESG strategy. Supply Chain Sustainability is, therefore, a key priority for the organisation. For us, sustainable supply chain management involves practices towards environmental protection, social and ethical responsibility, and a strong governance mechanism. Our priorities include environmental stewardship, resource efficiency, working towards becoming Net Zero, financial savings and viability along with social and ethical responsibility. Through our policies and procedures, we extend our ESG Commitment and the Mahindra Rise Philosophy to the supply chain. The initiatives are designed to assess, audit the suppliers, and recognise the key ESG impacts on the Business.

TechM is committed to ensuring that there is no adverse environmental and social impact on the company’s activities and services within its operations as well as in the supply chain. The key areas of focus for Supply Chain Sustainability include the selection of sustainable suppliers that abide by the local laws and regulations, training them on sustainability practices, and reviewing risk management practices including climate risks and mitigation strategies.

## Approach towards Supply Chain Management

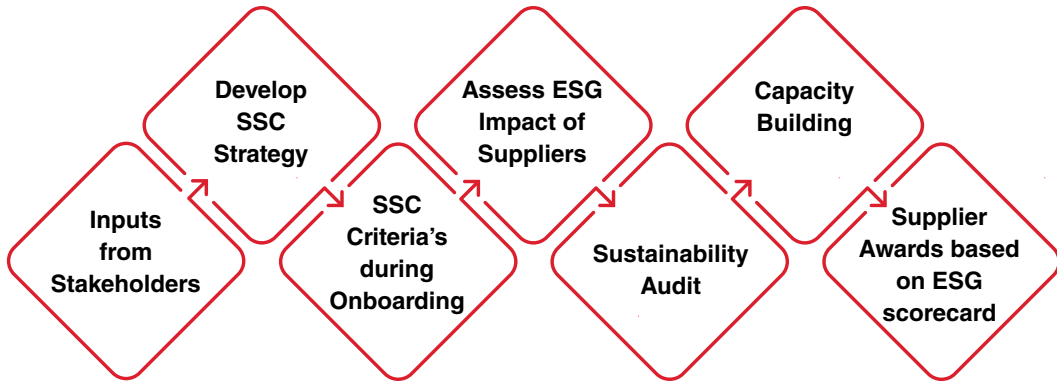
We encourage our suppliers and vendors to adopt ethical business practices that are aligned with the triple bottom line – People, Planet and Profit. We empower them by sharing sustainability best practices, continuous improvement, and collaborative approaches.



Our supply chain includes resource management vendors, OEMs and other providers of IT, Non-IT and digital infrastructure. The key aspects of our SSCM policy include ethical business conduct; human rights, privacy and data protection; fair employment practices; minimising environmental impact; reducing emissions and promoting a safe and healthy work environment. The suppliers also need to incorporate robust ESG risk management processes with business continuity and disaster management plans.

**Procurement Process**

Our procurement process considers ESG performance as a selection criterion. We engage with the suppliers and audit them on their sustainability performance.



Need identification is done by internal stakeholders and they work with the sourcing function on developing appropriate qualifications and selection criteria. They include technical, commercial, service level and ESG criteria as appropriate to the spend category. We actively engage with our suppliers and support them in building their capabilities on sustainable practices and business ethics from this stage itself. Our supplier analysis also considers the sourcing strategy of the supplier and proximity to service location (i.e. prefer local suppliers). This helps inefficiencies of time, cost and emissions by optimising transportation and logistics. In FY 2021-22, more than 80% of the total procurement expenditure was from the top 20 suppliers.

We enable supply chain responsibility through a 3-step process that includes supplier audits (both questionnaire-based as well as on-site inspections) and assessments, supplier capacity building and supplier continuous improvement programmes on climate risk evaluation. Based on the audit observations, corrective action plans and closure reports are drawn. Due to the pandemic, this year the assessments were conducted virtually.



**Audit**

The procurement teams work in tandem with the Corporate Services and Corporate Sustainability team to conduct supplier assessments for IT and Non-IT suppliers and SMEs. Supplier assessments help us understand the potential ESG (Environmental, Social and Governance) risks within the Supply Chain. We actively monitor suppliers to ensure no child or, forced labour. We encourage our suppliers to track and reduce their GHG emissions. We seek higher standards of performance from the top 200 high spend key suppliers. They were assessed through a supply chain questionnaire, which checked regulatory compliances with various aspects of ethical business conduct and sustainability practices laid out in our SSCM Policy. 69% of supply chain partners by top spend have been assessed on Health and Safety practices, Sexual Harassment, Discrimination at the workplace (Working conditions), Child Labour, Forced Labour/Involuntary Labour, Wages, Occupational Health & Safety, Corporate Governance & Ethics, Risk Management, Environment Management, and Biodiversity among other aspects.

The suppliers audited are chosen considering different locations, categories of suppliers and the total annual spend. The key mandate during the audit is compliance and measures taken to account for and reduce GHG emissions.

**Capacity Building**

We conduct capacity-building workshops for our key suppliers to help them understand the importance of Sustainable Development Goals, Sustainable Practices and to create a platform for all stakeholders to discuss their concerns and challenges. We assess their policy documents to ensure they follow the minimum standards and regulatory compliances.



We understand that the impact within our supply chain significantly outstrips the impact related to our operations. We, therefore, are focused on the opportunity for positive change in the supply chain management decisions along with those in areas within our direct operational control. Our vision towards a sustainable supply chain is guided by the [Sustainable Supply Chain Management Policy \(SSCM\)](#) and the [Supplier Code of Conduct](#). These along with our other SCM processes enable us to ensure:

- + Higher standards of performance from the top 200 high-spend suppliers
- + Efficient use of TechM and supplier resources
- + Deliver social and environmental benefits for TechM, our suppliers and the broader community
- + Encourage suppliers to focus on cost-effective, environmentally, and socially responsible products and services
- + Generate benefits of reduced costs, improved risk management, enhanced quality, and product or service innovation
- + Ensure both the accuracy of the information provided by suppliers and improvement of the underlying performance

To incentivise our Suppliers for Sustainability practices, we felicitate the top two suppliers with the **'TechM Supplier Sustainability Award'**. We have conducted Capacity Building Workshops for 200 key suppliers till now. The main topics covered in the capacity building workshop include:

- + Sustainability in the value chain and its benefits (motives)
- + Supply Chain Code of Conduct for Suppliers Environmental Stewardship
- + Conservation of Resources, Reduction of Carbon Footprint and Net Zero strategies
- + Materiality assessment, Sustainability practices
- + Biodiversity and green initiatives
- + Financial Savings and Viability
- + Social and Ethical Responsibility

### Enabling Climate Risk Evaluation in the Supply Chain

The current scenario of the pandemic-related disruptions to global supply chains has exacerbated the need for Businesses to adopt resilient strategies and Business Continuity Planning. The situation has also increased the focus on adopting strategies for Climate-related risks and the need for robust mitigation planning. TechM has already considered these upstream risks and has made strategies to reduce these risks of the supply chain, enabling procurement from local suppliers and better inventory control management and logistic activities. We encourage our Suppliers to adopt and implement Environment Management Systems and Policies and adopt Business Continuity and Disaster Management Practices.

Our commitment to climate action is also extended to the supply chain. We periodically evaluate the climate change impact of the upstream supply chain on our business operations and activities. We carry out a

comprehensive risk analysis of our supply chain on their ability to deliver on time because of the market and climate-related risks. Our Business Continuity Management system ensures an integrated view of our requirements to plan, coordinate, and execute strategies accordingly to mitigate the risks. We are encouraging our suppliers to make available cost-effective, environmentally, and socially responsible products and services. To source responsibly, we include responsible sourcing standards in the contract with the supplier. We encourage suppliers to reuse or recycle any waste (including wastewater) when it is environmentally favourable and technically feasible to do so.

We are working across our supply chain on various initiatives to reduce business travel and logistics by trip optimisation, reducing travel frequency and examining the need for travel. We manage our supply chain responsibly to ensure our business is not adversely affecting the environmental values of communities globally and are working to reduce GHG emissions across the supply chain.

We track the Scope 3 emissions from transportation and distribution of products purchased from our suppliers and operations of vehicles not owned or operated by us. This includes multi-modal shipping where multiple carriers are involved in the delivery of a product. We are engaging with our suppliers to initiate the process of tracking, monitoring, reviewing, and analysing the GHG emissions of the supply chain.

### Anti-Corruption and Bribery Practices in the Supply Chain

TechM prefers suppliers who establish management systems (policies, plans, accounting and reporting mechanisms, and performance measures) that provide for compliance assurance and continual improvement, have an Employee Code of Conduct, and that report externally on social, ethical, and environmental performance. TechM's SCOC mandates compliance with all local, and national & international laws and regulations on prohibited business practices like bribery, corruption, fraudulent practices, and kickbacks of any kind and must conduct their business by high ethical standards.

### Development of Local Vendors and Suppliers

In alignment with 'Rise for Good', our [SSCM policy](#) also encourages the procurement of goods and services from local and small communities. During the supplier evaluation process, if all other factors are equal, we give preference to local suppliers or small producers. This helps using better inventory management, shorter lead-time and logistics control while reducing the greenhouse gas emissions associated with transportation.

We continuously work towards the development of Local Vendors and their empanelment based on references, direct contacts, and interactions with them. We assess their policies and programmes for ESG parameters through our Supply Chain questionnaire, analyse the gaps and make recommendations.

TechM believes in fair business across all our sectors. We have diverse suppliers from different countries/ states where we operate. We promote suppliers and vendors based on performance and localisation regardless of their cast, gender, etc.

### Background Verification (BV) for Resource Management Vendor Evaluation & Audits:

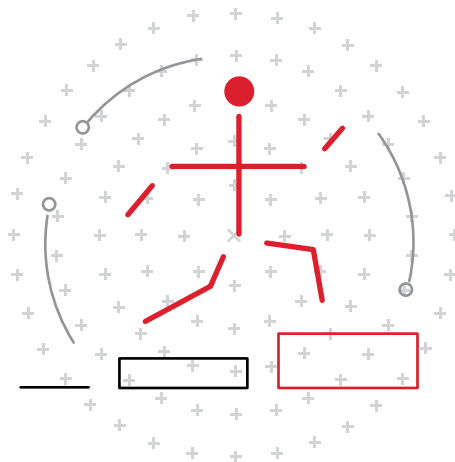
At TechM, we empanel Nationally and Internationally acclaimed Third-Party Background Verification Vendors. We maintain exceptional quality criteria before empanelling the vendors and review their performance on an annual basis and share structured feedback. Our pre and post-vendor empanelment processes are part of our integral system which enables success not only for us but also for our vendors whom we call our 'Business partners'.

### Vendor Audits

Our robust audit process helps us and our BV agencies to be vigilant in safeguarding the data privacy of associates & organisations and delivers the best quality of BV reports with >95% SLN adherence, resulting in both internal and external customer delight.

### Audit Parameters

With this scrutiny and best vendor empanelment practices, we ensure that all potential risks are obviated, and we enable a safe workplace for our TechMighties.



# Service Capital

**Service Capital includes the physical and technological infrastructure and tools we use to manage our services and business operations seamlessly in a sustainable manner. We include our fixed assets across secure digital enablement infrastructure including hardware, networking equipment and digital service enablement tools as well as sustainable productivity conducive facilities in this category.**

## Digitally Transforming into a Cognitive Enterprise

### Ved Prakash Nirbhya

Chief Information Officer, Tech Mahindra

“Our strategy is focused on nurturing the technologies of the future including cloud competency, 5G, AI, data and analytics, blockchain and customer experiences. We have undertaken a full-scale transformation of our solution “portfolio design, delivery modernisation, and digitalisation which needs to be supported by the requisite digital infrastructure, tools and apps. Re-organising a more efficient model of contactless and borderless work, we are deploying a cohesive business and software framework. An integrated command and monitor mechanism to minimise impact while safeguarding and securing services and networks. We view these investments as a crucial component of our ‘FutuRise’ ambitions”

Our focus on cutting-edge technologies has allowed us to cater to the strong demand from clients to enable them to respond with agility to the rapidly evolving world. New-age technologies have driven consistent growth which needs us to build even more new, and improved capabilities. This is possible only if based on a dynamic and productive workforce ably supported by the appropriate technology backbone. We leverage technology across all aspects of our business, and we invest in sustainable and conducive physical infrastructure to make our workplaces attractive to our associates. Both the physical and digital infrastructure is supported by robust business continuity processes, keeping associates and data security as well as service uptime at the forefront.

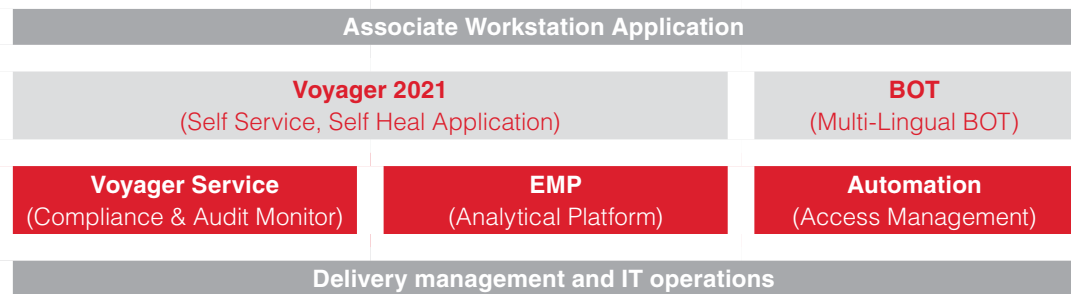
We have always ensured that our technology infrastructure is augmenting our capacity and capability needs ahead of requirement. We leverage in-house teams for decision-making, mission-critical tasks and management of deployments, while external vendor teams are used for on-field needs.

As a digital-first technology organisation, we are not only dynamically evolving our offerings but also transforming the way we deliver our services. This requires us to focus on deploying best-in-class IT infrastructure and tools for seamless connectivity, customer integration, productivity and automation as well as learning and quality. This is extended to a variety of our business operations including human capital management, innovation, and our CSR initiatives.

We adapted to the sudden need for WFH for 100% of the workforce by ensuring customer uptime, security and MSA requirements. Hardware needs were identified with programme managers and met through installing applications and enabling security in all associates’ laptops (company-owned, rental or employee-owned) so that there was a minimal impact on customers. Most of the infrastructure was moved to the cloud in partnership with OEMs and customer IT teams to ensure remote connectivity and rapid scaling.

## Voyager: Leveraging AIOps for Improved Business Resiliency, Change and Risk Management

We enabled service delivery in a WFH environment and we anticipate hybrid working as the way forward. Challenges like the physical presence of associates at campuses for Business continuity, compliance and security checks, identification of workstations, network connectivity and monitoring privileged access. Additionally operating safely and economically and a resilient and reliable approach were required.



We developed a scalable, comprehensive AIOps solution that is capable of handling multiple APIs from the backend without deploying new versions on associate workstations. The solution has an agent at the endpoint for monitoring application usage and workstation data with ML-enabled compliance checks. Additionally, an application for an auto-remediate feature for non-compliance parameters, a GUI for access and connectivity and a self-management tool along with a multi-lingual BOT for service requests at the workstation for our associates have been developed. At the backend is integrated an enterprise management analytics dashboard to provide for ODC-wise reports, AI and ML-based analytics and reporting for the operations team and management.

**>99%**  
workstation  
compliance

**>80%**  
user  
satisfaction

### Impact

Convenience, usability and improved operational management with significant savings through manpower optimisation for the service desk and technology infrastructure teams and profitability of operations.

- + High Customer Appreciation and the solution has been extended to all ODCs
- + Improved Win rate on RFPs by showcasing compliance, especially for WFH workstations and other automation

We improved cost economics by corporate sourcing of laptops, better security infrastructure and developed tools for endpoint application management. We have since established a system to ensure redundancy, and business continuity while avoiding supplier dependence. Our approach is engineered around ensuring best-in-class support through appropriate infrastructure for each application as needed by the end-user along with robust and customer-specific applications. We are using a multi-vendor cloud strategy complemented with an in-house cloud. This hybrid approach will ensure backups and risk mitigation from an external cloud approach.

**We designed our** private cloud environment designed to deliver self-service clouds, multi-cloud automation with governance, and DevOps-based infrastructure management and security. It helps us improve IT agility, productivity and efficiency to help us future proof our business. This multi-cloud environment is leveraged to provide Infrastructure on demand (IaaS) resulting in cost reduction of silo & rental hardware procurement while enabling high satisfaction in service delivery for new server provisioning. It is a win-win-win for the IT department, management, and all users.

It is a highly automated platform that gives complete control of provisioning an environment without any internal IT intervention. It eliminates numerous steps from the request to the fulfilment cycle. We have integrated various COTS products and implemented the best-of-breed Enterprise and open source solutions. This ensures that our multi-cloud solution provides the best user experience and a high asset reclamation automation process that eliminates human intervention.

It enables faster self-service provisioning for computing resources for almost any type of workload on-demand. The user-friendly interface enables the deployment of infrastructure on-premise as well as in public clouds while ensuring security, control and compliance in a stable, consistent and reliable fashion.

We have invested significantly in technology systems to digitally transform internal processes across functions. These are part of our digital infrastructure supporting how we drive service delivery as well as managing how we run the business. Some of these include the following:

- + Deployed m-Healthy, 'BeMe', Digital RMG 2.0 and performance management systems for HR as well as NAD for quality and delivery management
- + We have deployed several tools for rainmakers and service delivery teams including Account Escalation Dashboard, Pulse Predictor etc. Read more [<Customer Centricity>](#)
- + Digital learning platform for TechM Foundation

**Products and -IPs Developed for Production**

Entellio chatbot Framework with 20+ implementations with customers

Tactix, an AI operations cognitive solution used in production

Gaia is an AI/ML offering for an end-to-end life cycle management of machine learning models

UNO is an RPA framework deployed across IT and BPS segments

Epselon enables baselining process complexities for customers starting their SAP digital journey

**QWay Automation –**

Quality is an enabler as we focus on Run, Change and Grow and our automation vision is to enable associates to focus on customer value creation. To drive our endeavour to help associates become more effective and efficient while also making work life easier:

- + Leverage intuitive interface and toolchain, improve visibility and aid decision-making
- + Build on core areas, integrate the rest, and reduce/eliminate duplication across systems
- + Design for flexibility and change

The TechM way of working through an integrated delivery platform will enable seamless input from customer/project tools into QWay systems and give end-users the flexibility to use customers' tools or their preferred toolchain. The platform with Enterprise BI includes dashboards, custom analytics download functionality and online data-driven Project/ Programme reviews.

**Digital Resource Management**

The digital RMG platform increases efficiency and improves automation by demand aggregation, high-speed fulfilment and proactive hiring to reduce revenue risk. It also includes a dashboard for forecasting and evaluating the accuracy and a knowledge repository in the RMG Portal.

**ATS** - Our custom-built Applicant Tracking System powered by CEIPAL allows collaborative hiring and improves the candidate experience. Besides providing actionable data, it allows social media sharing, increases reach and improves employer branding.

**QLIK** - Dashboard that automates provision of consolidated data across different dimensions to decision-makers. This allows access to information on hiring, internal fulfilment, utilisation, margins & much more with #QlikInAClick

**New Age Delivery Platform (NAD)** - In-house tool which helps in saving costs, reducing external hiring etc.

**BeMe or 'Better Me'**, is a Microsoft Outlook add-in that has been installed on Project Managers' workstations to help improve teamwork and employee morale. BeMe uses Google ML (Sentiment Analysis) to interpret the tone of the email and reports any need for correcting the tone before the email is sent.

**Impact:** Awarded for 'Leveraging Technology for HR practices' by PeopleSoft as well as by SHRM (Society for Human Resource Management)

**Data Centre Management**

As a result of leveraging the cloud extensively, our Data Centre utilisation has been optimised to active needs. We have however retained a modern data centre, equipped with service-oriented and secure infrastructure as a strategic choice.

Data centres need to be powered continuously, its specifications are important for managing costs, obtaining a reliable supply of energy and water, and leveraging innovations in energy efficiency and renewable energy. To reduce our Carbon Footprint, we consistently monitor the efficiency of its Data Centres, using PUE (Power Usage Efficiency) as a metric and aim to minimise the environmental impact of the data centres.

	<b>FY 16-17</b>	<b>FY 17-18</b>	<b>FY 18-19</b>	<b>FY 19-20</b>	<b>FY 20-21</b>	<b>FY 21-22</b>
Total energy used in data centres (MWh)	9,548	10,188	11,048	12,244	13,944.48	14,540.03
Percentage of renewable energy (of total energy) in data centres*	2.89	4.4	20.54	24	31.09	34.23

\*We have increased our Renewable Energy from 1.77% (Baseline Year FY16) to 34.23% from owned locations which are also estimated for our Data Centres across operations

**Service Facilities**

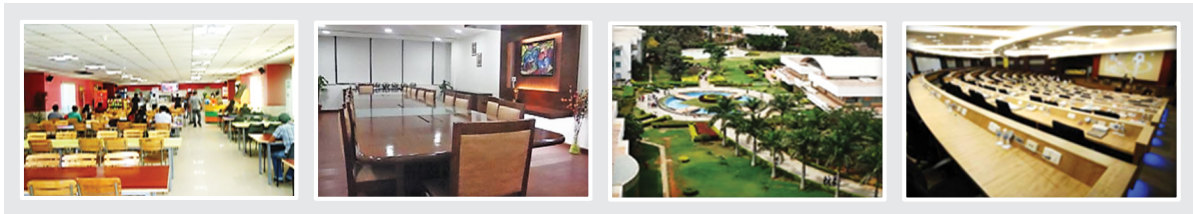


Our service facilities have the best-in-class physical and digital infrastructure, amenities, and ergonomically designed fit-outs to ensure safe, healthy and productive working conditions. These are complimented with green open spaces, cafeterias, canteens, training rooms, medical rooms and gymnasiums. These keep in mind not only health and safety but also resiliency and sustainability of the organisation and our associates. Additionally, our facilities contain appropriate infrastructure in terms of board rooms with Virtual Conferencing systems, training rooms (offshore – approx. 200 rooms, Onsite – 59 rooms) & labs (approx. 150 labs), Data labs, IT Incubation Centres and Customer Experience

Centres. Additionally, we also have 5 facilities for Makers Lab and 3 Design-thinking labs.

Our facilities span the globe including ANZ, EMEA, APAC, USA, UK, and India where we have 18 SEZ and STPI owned campuses spanning 14 Cities / 10 States & 1 Union Territory in India. Our delivery centres are located across cities that serve as business hubs in all geographies. This year we are consciously expanding into Tier 2 cities to source the best local talent. Our sales offices are strategically located in key customer markets like America, Europe, APAC, Africa, India, and Australia. These are run by the Facilities Management Teams with appropriate vendors through well-defined systems and processes with AMCs covering all assets. All our locations are covered under our business continuity and disaster recovery systems as well as risk assessment processes. All facilities are compliant with all statutory compliances including fire protection, consent to establish/ operate, etc. and have appropriate asset and public liability insurances.

Type of Facility in India	Area in Mn Sq.ft.
Owned Facility	6.642
Leased Facility	1.913



Some of our facilities are EMS ISO 14001:2015, LEED, ISO 45001:2018 and Green building certified. Our land bank is around 515.62 acres having a built-up area of 11,197,893 sq. ft. out of which 80.44 Acres (3,503,966.40 sq. ft.) having 27,00,482 sq. ft. built-up area across 3 cities namely Chennai TMCC (45 Acres), Pune Hinjewadi Plot 4 (12.37 Acres), Bengaluru TMEC (23.07 Acres) are the facilities certified with IGBC / LEED. These three campuses have a total capacity of 14,548 associates which represents approx. 20% of our current workforce and an additional 2 facilities are in the process of Green building certification. As part of our global environmental commitment, we follow environmental guidelines to minimise the environmental impacts

of new buildings. These include using recycled materials, improving energy efficiency, building automation, ensuring air purity, water, and waste recycling, installing waste converters and other comfort-enhancing features. Critical staff was deployed in all offices to manage infrastructure and Data Centre operations while also ensuring uptime and power for all critical links, servers, and network equipment round the clock.

Our resilient and robust business continuity and disaster recovery plans are engineered to ensure the safety of our associates [Read more <OHS>](#) and the protection of our physical/digital assets. [Read more <BCP and Disaster Recovery>](#)

# Protect, Conserve and Enhance the Natural Capital

**We view Natural Capital as the stock of natural resources or environmental assets (air, water, land, forest, and associated ecosystems), that provide a flow of useful goods or services, now and in the future. Tech Mahindra recognises the impact of a deteriorating environment on its other capitals including financial, social and relationship, as well as services, and takes appropriate measures to manage its natural capital impacts responsibly. We work with our internal and external stakeholders to work towards Net Zero emissions and drive resource efficiency across our value chain.**

## Mr. CVN Varma

Head of Corporate Services

We have made good progress as a Company in the past few years and our aspirations to create sustainable value for our society and our business will help us build a resilient future. We embrace a proactive and precautionary approach towards environmental protection and management. We adopt responsible practices across all our operations and endeavour to create a healthy, safe, pollution-free, and Green enterprise.

From an environmental perspective, Tech Mahindra's priorities are sourcing renewable energy, becoming net-zero and water positive, and adopting circular economy principles while protecting and promoting biodiversity. We promote awareness of the need for environmental protection and encourage imbibing sustainability as a way of life amongst our associates and all our other stakeholders. We consciously make strategic investments in low-carbon technology and the procurement of eco-friendly products. In addition, our Green Solutions Portfolio combines our technical expertise and technology to develop solutions that help customers address their environmental and climate-impact-related challenges.

We not only follow compliance frameworks, but we also have online monitoring mechanisms for our systems to ensure proactive actions when required. As we future-proof our workplace for the new normal, we would continue to invest in sustainable infrastructure aligned with Green building guidelines, following zero waste to landfill practices and being resource-efficient.

### Our Vision:

- + Focussed on responsible business growth
- + Enhancing operational eco-efficiency
- + To be rated amongst the top Sustainable brands to work for

### Climate Change Strategy:

Tech Mahindra has integrated climate change considerations with its business strategy as we invest in sustainable innovations that positively impact the world. We believe in ensuring that ESG principles are built into our long-term growth strategy which helps mitigate risks and drive profitable growth.

Our commitment to environmental sustainability, climate change, and water security spans our entire business. We are pursuing plans that will have long-term positive impacts on the planet and communities, leading to a balance between sustainability and overall business profitability. Focussing on the resilience of the company's strategy, we have considered material risks due to climate change at 2 degree and 4-degree scenarios and continue to develop mitigation strategies and action plans.

Our material risks and opportunities of climate scenarios are managed and monitored through metrics and targets.



Tech Mahindra has taken the medium-term and long-term emission targets approved by SBTi (Science Based Targets initiative). We are signatory to Business Ambition for 1.5°C to hold a rise in global temperature below 1.5°C. We are committed to our Net Zero target and have developed a roadmap to achieve it much before 2040. We are supporters of the 'Caring for Climate' initiatives and TCFD as part of our climate-related commitments. To spur our transition towards low carbon operations and business activities our management and Sustainability Council have taken an internal carbon pricing set at USD 14/MTCO2e. This helps us to drive investment towards low carbon products and clean technologies to improve the company's energy efficiency and resource-saving. Utilising green opportunities and scenario analysis helps define our future roadmap for targeted reductions in carbon emissions.

We have made strategies for co-creating innovative solutions with our partners to tackle climate change issues. The key initiatives include blockchain-enabled smart Microgrid-as-a-Service (#MaaS), renewable energy sourcing, AI4Action powered by Acumos, IoT-enabled IEVCS, etc. We are developing solutions like commute-tracking applications, drones for scalable reforestation, and smart city solutions. Additionally, we are working on improving energy efficiency, increasing the percentage of renewable energy in the energy mix, capacity building across our supply chain and developing green products, solutions, and platforms for our customers. Our financial planning exercise has factored in the capital expenditure and R&D costs to develop these green solutions.

**Our framework:**

Responsible Business	Environmental Stewardship	Eco Lifestyle
<ul style="list-style-type: none"> <li>+ De-risking and Mitigating climate risk</li> <li>+ Co-creating solutions to solve climate issues</li> <li>+ Leveraging Sustainable practices across value chain</li> <li>+ Industry association and external connect</li> <li>+ Transparent, responsible and accountability in reporting</li> </ul>	<ul style="list-style-type: none"> <li>+ Low Emission technology adoption</li> <li>+ Resource efficiency and green procurement</li> <li>+ Circular Economy</li> <li>+ Compliance and Certifications</li> <li>+ Measure and improve air quality</li> <li>+ SDG alignment and climate action</li> </ul>	<ul style="list-style-type: none"> <li>+ Advocate water and energy conservation</li> <li>+ Awareness on reducing waste and recycling</li> <li>+ Sustainability training &amp; Awareness for customers, partners, employees and other stakeholders</li> <li>+ Social volunteering for green activities and initiatives</li> <li>+ Advocate low emission lifestyle and ecological products</li> </ul>

**Our Mission:**

Accelerating towards Net Zero emissions by adopting low carbon technology practices and developing and co-creating innovative and sustainable solutions for all stakeholders in the value chain.

**Our Environmental Impact, Targets and Goals:**

<p><b>Reach Carbon Neutrality by 2030</b></p>	<p><b>Become Net Zero much before 2040</b></p>	<p><b>100% owned facilities to be Zero Waste to Landfill certified by 2025</b></p>
<p><b>Renewable Energy sourcing 50% by 2025 and 70% by 2030</b></p>	<p><b>Reduce Scope 1+2 emissions by 59% till 2030</b></p>	<p><b>Ecodesign training for all direct employees by 2030</b></p>

### Management Approach

We aspire to be one of the most sustainable companies in the world and to achieve this vision we have set goals and targets that are aligned with recognised standards and frameworks. Our focus on good corporate governance is strengthened by our commitment to environmental protection. We are committed to playing a leading and responsible

role in protecting and preserving environmental resources and complying with environmental laws in alignment with our commitment to being a carbon-neutral company.

We focus on responsibly doing the right thing, with defined, prioritised material issues, as well as a roadmap with defined targets.

Our key priorities and focus areas under Environment Management include:



#### Climate Change

- + Environmental Management
- + Net Zero targets
- + GHG Emission reduction
- + Implementing Carbon price
- + Sustainable Supply Chain



#### Energy Management

- + Energy use
- + Energy conservation
- + Renewable sourcing



#### Water Management

- + Responsible usage
- + Being water positive
- + Circular economy
- + Water harvesting



#### Waste Management

- + Recover
- + Reuse
- + Repurpose
- + Recycle



#### Biodiversity

- + Increase tree plantations
- + Protect and promote the conservation of biodiversity
- + Protect habitat and local species
- + Banning single-use plastic in our campuses



#### Environmental training and awareness

- + GHG emissions and Reduction awareness
- + Ban on single-use plastic awareness
- + Environmental protection
- + Business Continuity Planning and Disaster Management
- + Environmental stewardship in the value chain

These are enabled through our policy framework with focused policies namely, Environment Management Policy (<https://files.techmahindra.com/static/img/pdf/Tech-Mahindra-Environment-Policy.pdf>), Climate Policy (<https://files.techmahindra.com/static/img/pdf/techmahindra-climate-policy.pdf>), Water Management Policy (<https://files.techmahindra.com/static/img/pdf/techmahindra-water-policy.pdf>) and Biodiversity Policy (<https://files.techmahindra.com/static/img/pdf/BiodiversityPolicy.pdf>). The policies guide our business decisions and actions across

all our operations and strategic choices and are available online for all our stakeholders. The policies are reviewed periodically to ensure their continued applicability and relevance to our operations and evolving stakeholder expectations.

Environmental risks are part of the Enterprise Risk Management framework allowing oversight at the Board and senior management level and inputs for appropriate strategies for mitigation and action plans. We have an internal mandate to integrate our

business activities and processes with environmental risks and opportunities over the short and medium-term horizons, for factors that include climate change, water, energy security, and biodiversity. We assess our value chain based on ESG aspects and ensure that our suppliers & vendors have a Disaster Recovery & Business Continuity Policy and planning in place. We assess the infrastructure resiliency and redundancy of these vendors for any climatic crises like floods, cyclones, etc. There are no significant adverse impacts to the environment, arising from the value chain. We are communicating information on carbon/water management, sustainable supply chain, climate change risks, and environmental responsibility to our customers. We ensure that we have a focused approach towards sustainability and ensure that our sustainability measures reflect in our actions.

We aspire to be pioneers in developing solutions for addressing environmental protection and other corporate sustainability priorities for our customers. We are developing solutions and platforms to assist Customers in Energy Management, Climate Action, Resource Efficiency, and modular energy-efficient equipment for Data Centre Design, Cloud service, and server virtualization among others. Refer {Green Solutions} for details.

Our Corporate Services team is responsible for the implementation of our environmental management initiatives across all our locations. We have introduced Gladius, our AI-based tech platform for real-time monitoring of resource consumption in a phased manner. The Corporate Sustainability Cell provides pertinent information on the company's environmental and social priorities, roadmap, and performance to customers and investors in a transparent manner. Multiple teams have been established across the organisation, business functions, and geographies to monitor and track environmental parameters.

### Environment Highlights

Our strong governance policies, resilient strategies, and commitment to sustainability have positioned us at leadership positions on globally recognised Sustainability Indices like CDP (Carbon Disclosure Project), DJSI World Index (Dow Jones Sustainability Index), EcoVadis, FTSE (Financial Times Stock Exchange), Corporate Knights, MSCI (Morgan Stanley Capital international) etc. More details are available at <https://www.techmahindra.com/en-in/sustainability/>. Some of our locations are certified for ISO 14001:2015, ISO 45001:2018 and Green Building guidelines are implemented across the other facilities. We have also obtained LEED and Green Building Certification for some of our facilities covering more than 3.7 Mn sq. ft. and we consider Green building guidelines while upgrading or adding to our facilities. Some of our facilities our ZWL certified.

### Emissions

The Scope of GHG emissions is global operations of TML and comprises Scope 1, 2 and 3 emissions which are assured by a third party and is according to ISAE (International Standard for Assurance Engagements) 3410 and World Resource Institute (WRI) / World Business Council for Sustainable Development (WBCSD), Greenhouse Gas Protocol (A Corporate Accounting and Reporting Standards). We have taken targets to reduce our GHG emissions by 59% till 2030 and become Net Zero much before 2040. Our progress and achievements:

- + Reduced our Scope 1+2 emissions by 10.09% against last year FY21 and 41.52% against base year FY16
- + Scope 1+2 intensity emissions reduction of 28.63% against previous year (FY21) and 70.01% against base year (FY16) with associate Headcount as denominator
- + Scope 1+2 intensity emissions reduction of 23.37% against previous year (FY21) and 60.63% against base year (FY16) with revenue as denominator
- + GHG emissions reduced by 2.50% compared to previous year (FY21) and 44.87% compared to base year (FY16)
- + 17,965 MTCO2e emissions were saved through Renewable Energy and 6,500 MTCO2e emissions were saved through LEDs and motion sensors

## Energy

The scope of our energy consumption mainly comprises of power from Renewable and Non-Renewable sources used by global locations of TML.

- + Reduction of Energy intensity by 26.62% with associate headcount as denominator and by 21.21% with revenue as a denominator against the previous year (FY21)
- + Saved 22.99 Mn units of electricity consumption through Renewable Energy and 6.42 Mn units through LED and 1.82 Mn units through motion sensors
- + Increased Renewable Energy from 1.77% in base year (FY16) to 22.93% (FY22)

## Water

- + Recycled more than 235.40 Mn litres of water through our STPs at various facilities in Noida, Chandigarh, Pune, Hyderabad, Bengaluru, Chennai, Vizag, Bhubaneswar and Nagpur
- + Water withdrawal intensity reduced by 22.60% from last year (4.92 kl/person in FY21 to 3.81% in FY22) and by 72.26% from base year (13.73 kl/person in FY16) with headcount as denominator
- + Recharged 1.34 Mn+ litres of groundwater through rainwater harvesting plants
- + Recycled water from STPs is reused for flushing and horticulture, to reduce freshwater withdrawal and the use of RO for drinking water helps prevent the use of bottled water and related emissions
- + Investments are being made to upgrade STPs with MBR Technology to increase efficiency
- + Phased deployment of water sensors and restrictors across locations helps save 25% of the water wastage
- + We use the WASH tool for Water Sanitation and Hygiene for continuous water quality improvement and scored 1.91 for our facilities, thereby underscoring our commitment to associate health

## Waste

- + Recycled 64% of our food wastage (22 tonnes) to manure through Organic Waste Converters and Vermicomposting units
- + Leaf waste has been converted to manure
- + Recycled more than 235.40 Mn litres of water through our treatment plants across locations making the locations zero discharge

## Disclosure 307-1: Non-compliance with environmental laws and regulations

There is a robust management process for tracking compliance with applicable environmental regulations as well as new regulations that are expected. We comply with all environmental laws and regulations. In the reporting year, there were no fines, penalties, or show cause notices for non-compliance with applicable environmental regulations at any of our locations.

## Total Environmental Protection Expenditure

Funds from the Internal Carbon Pricing mechanism help us invest in low-emission technologies. We have been proactively making financial investments towards environmental protection, particularly in our operations and business activities, to become resilient to the impacts of climate change. We take voluntary initiatives and make investments towards greening our facilities and transition towards low carbon growth. We have invested in renewable energy including Solar LED lights and water heaters, replaced incandescent lamps with LEDs, and installed motion sensors and efficient HVACs, VRVs, and building controls.

## Green Investment

**162.48**

**CAPEX**

(Mn Rupees)

**21.55**

**OPEX**

(Mn Rupees)

## CAPEX

**124.14**

**Emission reduction**

(Mn Rupees)

**38.34**

**Water Consumption reduction/recharging**

(Mn Rupees)

With a focus on assigning a cost to Carbon and Water, we also monitor and track our operating expenditure on energy and water by the facility. In the reporting year, the total operational expenditure including offshore and onsite locations was:

Operating Expenditure on Energy and Water (Mn Rupees) FY22						
Fuel	+	Electricity	+	Water	+	Total
25.95		669.16		29.05		724.16

**Climate Actions**

Our Board has oversight of the climate change strategy and performance of the company along with climate change risks aligned with TCFD recommendations. We have been making continuous strides towards low carbon transition. At the operations level, the focus areas include improving energy efficiency, increasing the percentage of renewable energy in the energy mix, building capacity across the supply chain, and developing products, solutions, and platforms for the customers to address their Climate issues. We are a signatory to Business Ambition of 1.5°C and 1.5°C Supply Chain by ERI (Exponential Roadmap Initiative) to drive innovation and path towards decarbonisation. We are a signatory to “The Climate Pledge”, in partnership with Amazon, which is a commitment to reach Net Zero before 2040. We are supporters of TCFD and Caring for Climate initiative. We will also implement decarbonisation strategies in line with the Paris Agreement through real business changes and innovations

Read about our Climate Policy [here](#).

**Towards a Net Zero Transition**

Transition to Net Zero is the next step of Tech Mahindra’s climate journey as we deepen our focus on energy conservation and renewable energy sourcing. We budget for any likely expenses due to climate-related risks and the specifications of CAPEX items are finalised based on environmental

criteria besides factoring in the environmental impact of supply. Our sourcing strategy considers local suppliers to improve logistics and save time, cost, and emissions from unwanted transportation through longer routes. To ensure a level of readiness to maintain the continuity of critical business and services to customers, we have put together a business continuity management framework encompassing our key functions, projects, and systems.

**Sustainable Sourcing**

Tech Mahindra’s undeterred focus on good corporate governance is strengthened by our commitment to sustainable development and our short-term and long-term goals. [Green procurement policy](#) helps us make purchase decisions that are socially and environmentally responsible. It helps in improving operational efficiency, mitigating any risks including regulatory risks and enhancing our sustainable branding. Tech Mahindra seeks to reduce the environmental impacts of our procurement process and also encourage our suppliers to adopt sustainable supply chain practices. We bind all of suppliers to follow minimum standards of social, ethical and environmental conduct and encourage each supplier to adopt practices with preferred and favoured standards. We actively engage with our key suppliers for making our Supply Chain sustainable. We prefer suppliers who offer products and services or who are willing to develop products and services with an improved environmental impact.

## Our Net Zero plan and strategy



### Renewable Energy

- + Increase Renewable Energy (RE) to 50% by 2025 compared to 1.77% in base year 2016
- + Increase RE to 70% by 2030 through onsite installations and adopting PPA's



### Resource Efficiency

- + Replace phase-wise LED's and install motion sensor to reduce 20% of emission
- + Install efficient VRV and HVAC's



### Carbon Sequestration

- + Tree plantation to reduce 10% of emissions
- + Reforestation through drones



### ZWL

- + Zero Waste to Landfill (ZWL) certification for all owned facilities
- + Enable circular economy reducing emissions through logistics



### Energy Efficient Procurement

- + Star rated or energy efficient procurements of laptops, hardware & other equipment



### BMS with IoT

- + Building management systems integrated with IoT and automated sensors



### Reduce Personal Commute

- + Advocacy campaign to use company/public transport & pool services to reduce personal commute



### Reduce Business Travel

- + Enable Virtual meetings through VCS, MS Teams etc.
- + Policies to reduce frequency of travel or use low emission mode of travel

We are transitioning towards new technologies to accelerate our carbon neutrality by 2030 and Net Zero plans much before 2040. We have implemented internal carbon prices to fund initiatives like installing energy-efficient devices, low emission technology procurement and implementing green initiatives. We are also leveraging TCFD-defined Opportunities under "Energy Source: Use of New Technologies & Resource Efficiency" that emerge from Climate change.

We are implementing an eco-design approach to reduce environmental impacts by installing solar modules, PPAs, phased installation of LEDs, using motion sensors, eco-efficient equipment, etc., We are implementing circular economy principles in waste management (Reduce, Recover, Recycle and Reuse waste). Resource efficiency is central to our efforts as it not only reduces emissions but also operational costs.

Our road to Net Zero will include actions that are focused on three key pillars viz. energy efficiency, switching to renewable and carbon offsetting.

Energy Efficiency		
Challenge	Action	Result
<p>Energy Efficiency has emerged as one of the highest priorities besides the conservation of energy.</p> <p>Better efficiency, lower consumption and better utilisation of new equipment attract a high capital cost besides the cost of replacement of existing infrastructure.</p>	<p>We have adopted several measures to reduce our energy consumption and emissions.</p> <ul style="list-style-type: none"> <li>+ Deploying efficient transportation</li> <li>+ Enabling virtual conferencing technologies</li> <li>+ Achieving Green Building certification with a “Gold” rating</li> <li>+ Installing LEDs, motion sensors for ACs and lighting</li> <li>+ Installing energy-efficient cables and instruments</li> </ul>	<ul style="list-style-type: none"> <li>+ 18% of energy savings for green buildings campuses compared to baseline as per ASHRAE standards</li> <li>+ Installation of LEDs saved 6.42 Mn units of power and 5,000+ MTCO2e till FY22</li> <li>+ The use of motion sensors saved 1.82 Mn units of power and 1,501 MTCO2e till FY22</li> <li>+ This retrofit also complies with green building norms</li> </ul>
Switching to Renewable		
Issue	Action	Result
<p>Direct and indirect energy generation is the leading cause of industrial air pollution.</p> <p>Increased Renewable Energy ensures slower consumption of fossil fuels and reduces emissions. There are likely to be regulatory requirements for renewable energy sources to align with the Paris Agreement.</p>	<p>Tech Mahindra has actively increased the contribution of renewable sources of energy year on year.</p> <ul style="list-style-type: none"> <li>+ We aim to reduce our carbon footprint by increasing our renewable energy consumption to 50% by 2025 and 70% by 2030</li> <li>+ We are installing solar panels and adopting PPAs across our facilities wherever feasible</li> <li>+ We are investing in solar energy for more locations and reducing the higher cost impact of the clean energy tax</li> </ul>	<ul style="list-style-type: none"> <li>+ We have increased our Renewable Energy from 1.77% (in baseline year FY16) to 22.93% (in FY22)</li> <li>+ More than 95% of our energy consumption in the Bengaluru location is from the Renewable Energy mix. In Bengaluru, we have saved 16.69 Mn units of electricity reducing 13,184 MTCO2e of Scope 1 and 2 emissions and have annual savings of grid cost of USD 672,028</li> <li>+ Through renewable energy, we have saved 22,994,671 kWh and reduced 17,964.92 MTCO2e of emissions</li> </ul>
Carbon Offsetting (Tree Plantation)		
Issue	Action	Results
<p>Planting trees helps reduce ambient CO2 which helps negate the impact of emissions thereby addressing the climate crisis, besides promoting biodiversity</p>	<p>We have collaborated with NGOs and hosted multiple initiatives through Green Marshals to plant trees in and around our campus. In addition to preserving biodiversity, the carbon sequestration will help us offset 5% of our emissions in the long run</p>	<ul style="list-style-type: none"> <li>+ 80,463+ trees were planted till FY22 which in turn helped us save ~2,000 MTCO2e (estimated savings of USD 5,300).</li> <li>+ The tree plantation has had a positive impact on biodiversity conservation</li> </ul>

## Renewable Energy

Tech Mahindra has committed to increasing our Renewable Energy sourcing to 50% by 2025 and 70% by 2030 which is aligned with our medium-term and long-term emission targets approved by SBTi (Science Based Targets initiative). In addition, we are co-creating innovative solutions with our customers, and partners to tackle climate change issues including blockchain-enabled solutions, Microgrid-as-a-Service (#MaaS) and others as discussed in <Green Solutions>

- + Installed Solar plants of capacity 4,069 kWp at our 11 campuses in Pune, Bengaluru, Hyderabad, Chandigarh, Noida, Vizag, Bhubaneswar, Chennai and PPA capacity of 10,000 kWp at Bengaluru
- + Procured Renewable Energy capacity of 387 kWp at our onsite location in Waterford
- + Energy savings of 316,455 kWh from a Solar water heater of varying capacities of 2,500, 5,000, 8,000, and 10,000 litres at Bengaluru, Hyderabad, Chandigarh, and Pune facilities
- + Offset the emission of 25 MTCO<sub>2</sub>e emissions through REC. We have increased our Renewable energy to 32.25% for our owned campuses

## Carbon Pricing

We are using an internal Carbon Price mechanism to address climate change by encouraging emissions reduction and driving our low carbon transition. It gives an economic spur for investment and growth in new low carbon technologies and business verticals. It is also creating a financial incentive for internal innovation and energy efficiency which enables the shift towards clean energy.

The internal Carbon Price is USD14/MTCO<sub>2</sub>e and we have built a tool for our facilities, finance, and procurement teams for this. This mechanism has helped us to boost green investments and motivated businesses to maintain and strengthen the price mechanism internally. The funds generated have been allocated towards activities aimed to build resilience to climate change risks and climate centric initiatives like green buildings, increasing renewable energy mix, increasing resource efficiency, and procuring eco-efficient products.

## Science-Based Targets

We are committed to reducing our Scope 1 and 2 emissions which are approved by SBTi. We have signed the SBT initiative of Business Ambition of 1.5°C to halve our emissions by 2030 and become Net Zero by 2050. We are also part of the UNFCCC Race to Zero Campaign.

The Science Based Targets initiative (SBTi) is a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI), and the World-Wide Fund for Nature (WWF). Science-based targets provide companies with a clearly defined pathway to future-proof growth by specifying how much and how quickly they need to reduce their greenhouse gas emissions.



WORLD  
RESOURCES  
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### GHG Emissions

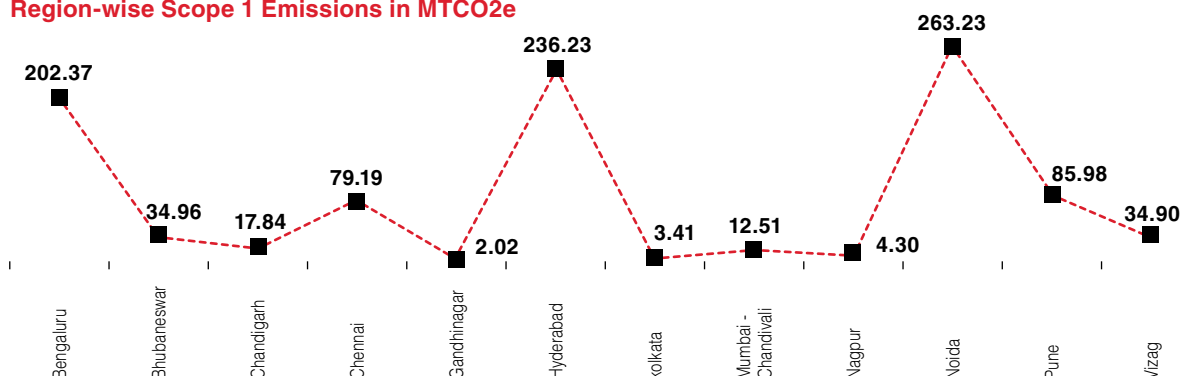
The Scope 1 emissions include fuels like diesel (HSD) from backup Generators and emissions from refrigerants. The Scope 2 emissions are from the electricity purchased from the grid across the globe including owned and leased operations and Data Centres.

#### Disclosure 305-1 & 305-2 (Emissions): Direct and Indirect Green House Gas Emissions (Scope 1 and Scope 2)

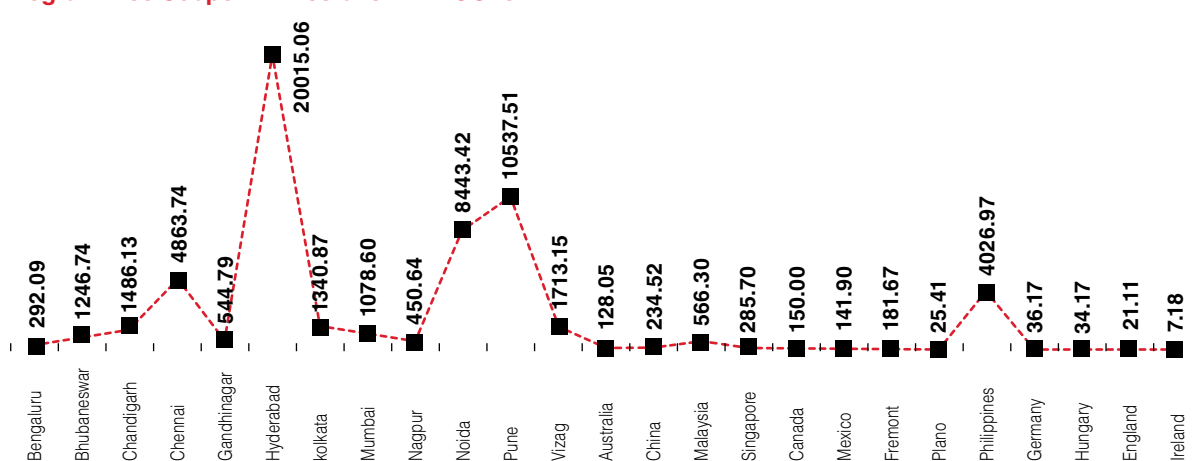
Scope 1+2 Emissions	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Scope 1	6,257	3,263	2,787.02	2,561.04	1,803.8	7,930.24	8,995.81
Scope 2	108,052	119,434.02	122,699.61	108,418.247	105,736.58	66,418.66	57,851.87
Scope 1+2	114,309	122,697.02	125,486.63	110,979.287	107,540.38	74,348.90	66,847.68

Optimisation of our processes, increase in Renewable Energy mix and adoption of resource efficiency at campuses improved Energy Performance Index (EPI) and have reduced our Scope 1+2 emissions. There is a reducing trend in Scope 1 and 2 emissions due to decreased use of Diesel Generators, grid electricity consumption, and decreased use of company-owned cars. Due to the pandemic situation, most of our associates were Working from Home, so Scope 1+2 decreased by 10.09% against last year FY21 and 41.52% against base year FY16. We have accounted for this shift in emissions, due to employees working from home, in Scope 3. We don't have any access to emissions factors from energy suppliers for any of our operations and there are no contractual instruments available

#### Region-wise Scope 1 Emissions in MTCO2e



#### Region-wise Scope 2 Emissions in MTCO2e



### **Disclosure 305-3 (Emissions): Other Indirect Greenhouse Gas Emissions (Scope 3)**

We are committed to reducing direct and indirect GHG emissions from all our activities. Screening of Scope 3 categories periodically help us measure and report the emissions accurately. The emissions reported are according to GHG protocol: Corporate Value Chain Standard and covers all categories applicable to our Business. Tech Mahindra is an Indian multinational company that provides Information Technology and Business Process Outsourcing services. We do not sell any physical products which require the processing of raw materials, so some of the Scope 3 categories do not apply to us. Due to the nature of our business, the boundary of our Scope 3 emissions covers global operations with the categories below:

**Purchased Goods and Services:** This includes purchased goods, Inbound Logistics for transportation of IT products from the suppliers to the TechM Facilities and downstream transportation of e-waste, scrap, paper, and used oil and filter from TechM facilities to State Pollution Control Board authorised recycler and disposal of food waste from the facilities to the piggeries.

**Employee Commute:** Employee commute includes the commute of our associates from home to the TechM offices and back. The modes of transport include company transportation and personal commute. Company transportation includes shuttle, buses, and cabs. It also includes escort cabs for female associates. Company transport which is outsourced for employee commute is accounted considering distance travelled. Due to the pandemic most of the employees are working from home, so employee commute has significantly reduced as compared to base year FY16.

We carried out an employee commute survey to estimate personal commute data and the modes of commute. The categories included during the survey

included local buses, trains, personal bikes and cars, autos, carpooling etc. Emissions of fuel used for the type of vehicles are calculated by multiplying emission factors from DEFRA.

#### **Business Travel**

Business Travel means employees traveling for work. We have encouraged the use of Microsoft Teams, tele-presence, video conferencing, and virtual meetings through online platforms to minimise physical travel. Microsoft Teams and Webex services helped us reduce equivalent GHG emissions as a result of the reduction in travel requirements for meetings. Due to the pandemic, virtual meetings and avoiding business travel was encouraged for the well-being of our associates. Our policies on Work from Home and reducing the frequency of travel helped us reduce business travel as compared to base year FY16.

**Outbound Logistics for Waste Generated in Operations:** This included outbound logistics of waste generated from our facilities.

**Fuel and Energy-related activities:** This includes the use of LPG gas by food vendors outside the campus.

**Waste Generated in the operations:** This includes emissions from hazardous and non-hazardous waste generated from campuses. This covers the monthly wastes like food, e-waste, battery waste, scrap, paper waste, oil and filter waste, etc. from our operations.

**Upstream Leased Assets:** This includes energy use which is not reported in Scope 1 and 2 and forms part of the operation of assets leased by TechM. This category of emissions is applicable only during this pandemic period when most of our employees are working from home. Since many of our operations are leased and we don't have any control over their energy use, we have reported this also in Scope 3.

Scope 3 Category	Description	2017-18	2018-19	2019-20	2020-21	2021-22
Purchased Goods and Services	Inbound and Outbound Logistics & Purchase of Goods and Services	6,597.37	498.22	228.12	178.83	88.87
Employee Commute	Daily Commute	14,931.63	18,965.15	22,597.37	3,653.03	7,170
Business Travel	Employee Business travel	15,152.3321	19,707.31	15,561.51	894.16	3,433.52
Waste Generated in Operations	Emissions from waste generated viz. Food, scrap, e-waste, battery, paper, oil and garbage	203.43	17.60	44.46	15.90	21.12
Fuel and Energy-Related Activities	Fuel used by the third-party outside the campus	-	-	853.75	71.38	41.47
Upstream Leased Assets	The energy use of operation of assets from Work from Home and of leased operation	-	-	-	12,183.22	11,458
<b>MTCO<sub>2e</sub>*</b>	<b>Total</b>	<b>36,884.76</b>	<b>39,188.28</b>	<b>39,285.21</b>	<b>16,996.52</b>	<b>22,212.92</b>

\*Emission factors used as per DEFRA, IGES GRID and CEA

#### Disclosure 305-4 (Emissions): Greenhouse Gas Emission Intensity

GHG emission intensity is the ratio of Greenhouse Gas Emissions to the number of employees of the organisation and revenue. We have shown a positive trend by consistently reducing GHG intensity year on year.

	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22
Scope 1 and 2	125,487	110,979.29	107,540.38	70,784.28	66,847.68
The denominator (No. of Employees)	72,004	79,032	79,702	99,607	125,490
Scope 1+2 emission Intensity (Associates as Denominator)	1.74	1.4	1.349	0.75	0.53
% change from previous year	(4.69)	(19.43)	(3.94)	(44.67)	(28.63)
Denominator (Revenue in Mn USD)	4,770.8	4,970.5	5,181.9	5,112	5,997.8
Scope 1+2 Intensity (Revenue as Denominator)	26.30	22.33	20.75	14.54	11.15
% change from previous year	(6.73)	(15.11)	(7.05)	(29.92)	(23.37)
Scope 1+2+3	162,371.4	150,167.6	146,825.59	91,345.42	89,060.61
Scope 1+2+3 emission Intensity (Number of Associates as Denominator)	2.26	1.90	1.84	0.92	0.71
% change from previous year	(5.96)	(15.74)	3.05	50.22	(22.61)

The GHG intensity decreased in the reporting year because of the reduction of Scope 1+2 emissions due to an increase in renewable energy and associate headcount by 26% on account of Business growth in the current financial year. Since most of our Employees were working from home during the pandemic, their energy consumption has been taken in Scope 3, and hence there is a significant reduction in Scope 2 emissions. With the help of Renewable Energy mix, Resource Efficiency, reduction in Business travel and commute, we have reduced our GHG emissions by 2.5% compared to previous year 2020-21 and 45% compared to base year 2015-16.

## Air Quality Management

A clean and fresh working environment not only ensures the health of our associates but also improves their productivity. We ensure that the air quality at all our facilities meets the applicable compliance norms. We have strived to create a natural and refreshing environment at all our campuses, by planting trees and dedicating open spaces. We monitor Stack and Ambient tests periodically and measure the air quality parameters. These parameters tracked and reported, are within the permissible limits stated in air consent by State Pollution Control Board.

### Disclosure 305-7: Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions

Stack concentration is location-specific and based on the capacity of Diesel Generators, its flow rate, number of hours used and the gases emitted. We used molecular weight (NOx-46.01g/mol) to convert in same unit of measurement.

Stack Concentration in Tonnes	PM	SOx	NOx
TechM	0.806	1.632	3.268

## Energy Management

The energy demand for our operations arises out of lighting, cooling and connected load. We are focused on Energy management and energy conservation initiatives. Our Sustainability roadmap reflects our commitment to energy conservation and exploration of alternate sources of energy.

### Disclosure 302-1: Energy Consumption within the organisation and Disclosure 302-2: Energy Consumption outside the organisation

Our primary energy consumption is electricity purchased from the grid. Other sources of energy include diesel for the DG sets and fuel used in company-owned vehicles.

Energy Consumption within the organisation includes energy consumption from fuel, acquired or purchased renewable and non-renewable energy and onsite self-generated Solar and Windmill plants.

# 55,893.08 GJ

## Total Energy Consumption outside the organisation

FY22	MWh from renewable sources	MWh from nonrenewable sources	Total (renewable and nonrenewable) MWh
Consumption of fuel (excluding feedstock)	0	3,579.81	3,579.81
Consumption of purchased or acquired electricity	15,836.912	73,706.86	89,543.78
Consumption of self-generated non-fuel renewable energy	7,157.76	0	7,157.76
<b>Total energy consumption</b>	<b>22,994.67</b>	<b>77,286.67</b>	<b>100,281.34</b>

Direct and indirect energy from renewable and non-renewable energy reported for FY22 is:

2021-22	GJ	kWh	MWh
Direct non-renewable energy	12,887.31	3,579,810	3,579.81
Indirect non-renewable energy	265,344.70	73,706,863	73,706.86
Direct and indirect RE energy	82,780.82	22,994,671	22,994.67
<b>Total Energy</b>	<b>361,013</b>	<b>100,281,344.9</b>	<b>100,281.34</b>

Our Energy consumption which is not included in Scope 2 and which is used for our leased locations (not in our control) at some of the facilities is accounted for in Scope 3 and it is a non-renewable source of energy. This is based on the estimation of per USD cost and unit consumption which is not in our operational control. With most of our associates still working from home, we have estimated their energy consumption on basis of the use of laptops and desktops. We have considered voltage and current and number of working hours to calculate the consumption. We have accounted for emissions of this energy consumption outside the organisation under upstream leased assets.

Energy consumption used for Work for Home and leased location in GJ:

Energy consumption outside of the organisation – work from home by employees in GJ	49,809.86
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### TC-SI-130a.

(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewables

#### Energy Consumed in GJ

2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
558,875.00	577,461.00	578,630.00	599,391	592,145.00	390,521.52	361,013

#### Grid Electricity (%)

2016	2017	2018	2019	2020	2021	2021-22
83.60	90.80	90.60	79.41	78.39	74.72	73.50

#### Renewable Energy (%)

2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
1.77	2.1	2.87	15.2	17.6	21.23	22.93

We have been installing solar plants across locations and exploring more options toward open access renewable energy to reduce our GHG emissions and achieve our Net Zero targets.

### Disclosure 302-3: Energy Intensity

Energy intensity is calculated by using the number of employees as the denominator.

Energy Consumed in GJ	2017-18	2018-19	2019-20	2020-21	2021-22
Total Energy	578,630.00	599,391	592,145.00	390,521.52	361,012.84
Headcount	72,004.00	79,032.00	79,702.00	99,607.00	125,490.00
Energy Intensity - Headcount	8.04	7.58	7.43	3.92	2.88
% Change in Specific Energy - Headcount	2.57	(5.62)	(2.04)	(47.23)	(26.62)
Revenue in Mn USD	4,770.80	4,970.50	5,181.90	5,112.00	5,997.80
Energy Intensity - Revenue	121.29	120.59	114.27	76.39	60.19
% Change in Specific Energy - Revenue	(8.61)	(0.057)	(5.24)	(33.15)	(21.21)

Even though our buildings, infrastructure, and the number of employees have increased, we have successfully reduced our grid consumption and fuel consumption through renewable energy sourcing and conservation measures. Since most of our associates are working from home, the Energy intensity has significantly reduced. Direct and indirect non-renewable energy intensity reduced by 35.22% and 27.83% respectively when compared to the 26% increase in our associate headcount, while the energy intensity reduced by 30.42% and 22.49% respectively with increase in our revenue.

### Disclosure 302-4: Reduction of Energy Consumption

We take proactive steps to reduce our specific and absolute energy consumption from both direct and indirect sources for energy conservation and management. We conduct Energy audits to understand the best practices and gaps in our Green processes. We have saved 23,095.97 GJ by replacing incandescent lamp with LEDs and saved 6,540 GJ of energy through motion sensors.

Some of the initiatives taken to reduce energy consumption during the year are listed below:

- + Use of efficient cooling technology, efficient VRV and HVAC installation, efficient water coolers and efficient building controls across locations
- + Consolidation of AC Chiller Plants to increase system efficiency and energy savings
- + Chillers de-scaling
- + Initiatives to reduce Contract demand of EB Power
- + Automation/scheduling of all AHU units of new buildings
- + Utilising natural cooling techniques for offshore development centres
- + Regulated air conditioning during working hours (setting the temperature to 25 degrees Celsius) and restrictions during non-working hours
- + Standardisation of Cafeteria AC operations
- + Switching off redundant transformers during weekends
- + Create awareness of Energy conservation among employees through mailers, webinars, posters, pamphlets and roadshows
- + Reduced 18% of overall energy consumption by adopting Green Building practices at some of our locations and at new facilities, leveraged Building Management Systems and low e-glass to reflect heat and reduce HVAC system loads
- + Used data centre consolidation, server virtualisation, and modular energy-efficient equipment, as well as natural and adiabatic cooling methods to design data centres with low energy consumption
- + Rationalised UPS infrastructure with right capacity substation designing and have integrated Building Management Systems to improve the energy efficiency

### TC-SI-130a.3. - Discussion of the integration of environmental considerations into strategic planning for data centre needs.

#### Data Centre Management

Our DCM (Data Centre Management) team provides a holistic view of a Data Centre's performance to ensure optimisation of energy, equipment and rack space. To reduce our carbon footprints, we have been consistently improving the efficiency of our Data Centres, using PUE (Power Usage Efficiency) as a metric for monitoring the environmental impact of the data centre.

We manage multiple data centres with different maturity levels, diverse equipment, processes, and procedures as per ISO 27001 Standards. We have customer SLAs (Service Level Agreements) in complex environments where there are different requirements for application availability, Data retention, Speed of recovery, and Network availability. We monitor the change control processes, maintain the latest infrastructure, and 'sunset' the less efficient end-of-life equipment. We have developed green data centres to address the demand sustainably. We help in end-to-end management of data centres – right from planning and consulting on data centre facilities to building and migrating data centres, disaster recovery, and remote infrastructure management. Our green data centre solution has enabled our customers to save CAPEX up to 15% in three years, improve year-on-year productivity by 10%, and reduce the volume of incident tickets due to proactive maintenance and management of data centres.

#### Power Usage Effectiveness (PUE)

We are continuously working to increase the energy efficiency of our data centres through Data Centre consolidation, server virtualisation and modular energy-efficient equipment for data centre design. We have ensured that there is only a very small increase in PUE by installing efficient cooling mechanisms across data centres and server rooms.

#### PUE (ratio)

FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22
1.78	1.91	2	1.99	1.93

### Water Stewardship

Water scarcity and water stress are a reality. The increased cost of water and the challenges of procuring adequate quantities are potential risks to our operations that need to be mitigated. To manage water risk, we have established a robust Water Management Strategy across all our operations and facilities. This helps us to understand the water-related risks and their impacts on our business and the communities we serve. We have taken meaningful targets to improve water efficiency and increase the use of wastewater in our operations and activities supported by technology-driven innovations.

Although the majority of our water requirement is for drinking and sanitation, we have initiated the assessment of the water footprint of our operations. We administer the implementation of water management initiatives through the <Water Policy> as part of the overall business strategy. To ensure access to safe water, sanitation and hygiene for all employees on our premises, the policy covers the following aspects of water conservation:

- + Improve water efficiency in operations
- + Reduce water footprint through water efficiency measures, adopting the “3-R” (reduce, reuse and recycle)
- + Set, monitor and review mechanisms towards achieving improvement on an ongoing basis

- + Comply with all the applicable regulatory and legal requirements relating to water
- + Report water performance to all stakeholders through appropriate communication channels in a transparent manner
- + Proactively support governmental and other national water conservation initiatives

We have taken various sustainability initiatives to reduce per capita consumption of water through recycling and reuse of water through STP, installation of Rainwater Harvesting Plants to recharge groundwater levels, and use of water sensors and water-efficient coolers to increase water efficiency and savings. We are building awareness for responsible water usage across employees through advocacy and awareness initiatives to encourage the reduction of water consumption.

We have installed Rainwater Harvesting plants at 8 of our locations which are recharging more than 1,343 kl of water. We have also installed 4,700+ water restrictors to reduce the flow of water leading to a reduction of 25% of water consumption. These measures are a step towards managing future water stress and water-linked future regulations. They will also enable internal cost efficiencies and reduce our dependency on freshwater.

**Disclosure 303-1: Interactions with water as a shared resource****Evaluating water-related risks**

Water availability and quality are significant business risks. TechM understands the water risks for our operations and in the value chain and accordingly plans our water management interventions and mitigation strategies. One of the direct critical risks is water availability and stress and its quality. Tech Mahindra along with Mahindra Group supports the development of India Water Tool 3.0 (IWT) which allows companies, government agencies, and other users to identify their water risks, prioritise their water management actions and helps plan for sustainable water management and address water risks in a given river basin. The development of IWT helps us identify future water risks that may arise at different facilities due to climate change and develop an appropriate mitigation strategy.

We also use Ecolab's Water Risk Monetizer tool which provides an analytical view of current and future water risks in terms of inlet and outlet water quantity, outlet water quality and revenue risk on the dashboard. It also provides data on water stress, floods, droughts, future water supply, etc. The tool helps us to understand the locations/facilities which fall under low and high-risk zone in terms of incoming & outgoing water quantity and revenue. It enables us to compare water-use efficiency performance at each of our facilities present in India and outside India with industry and organisational standards. This analysis helps us to prioritise and determine the appropriate water-use efficiency strategies for each of our locations.

**Water Risk - Mitigation Initiatives in Business Operations**

Some of the mitigation measures taken include:

- + Developing systems for ensuring smooth business operation during a water shortage
- + Assessing the financial impacts of the operation due to water quality and stress
- + Assessing the impacts of water-borne diseases that are impacting the wellness of our associates
- + Identifying and initiating Six Sigma projects on optimising water consumption
- + Installing Rainwater Harvesting Plants wherever feasible
- + Training and awareness of associates on Water Risk and Conservation
- + Awareness and monitoring of water stewardship actions in our value chain and taking collective action to address water challenges

We were the least affected company during natural disasters like the Chennai droughts and floods, Cyclone Tauktae and Nisarga in the West, and Cyclone Amphan and Yaas in the East.

**Water Withdrawal****Water Consumption**

**TC SI-130a.2:** Total water withdrawn (GRI Disclosure 303-3), (2) Total water consumed (GRI Disclosure 303-4), percentage of each in regions with Extremely High Baseline Water Stress

**FY22: 478,034.6**  
**KL**

**Total Water  
Withdrawn**

**355,445.92**  
**KL**

**Total Water  
Consumption**

**24%**

**Percentage of regions  
with Extremely High  
Baseline Water Stress**

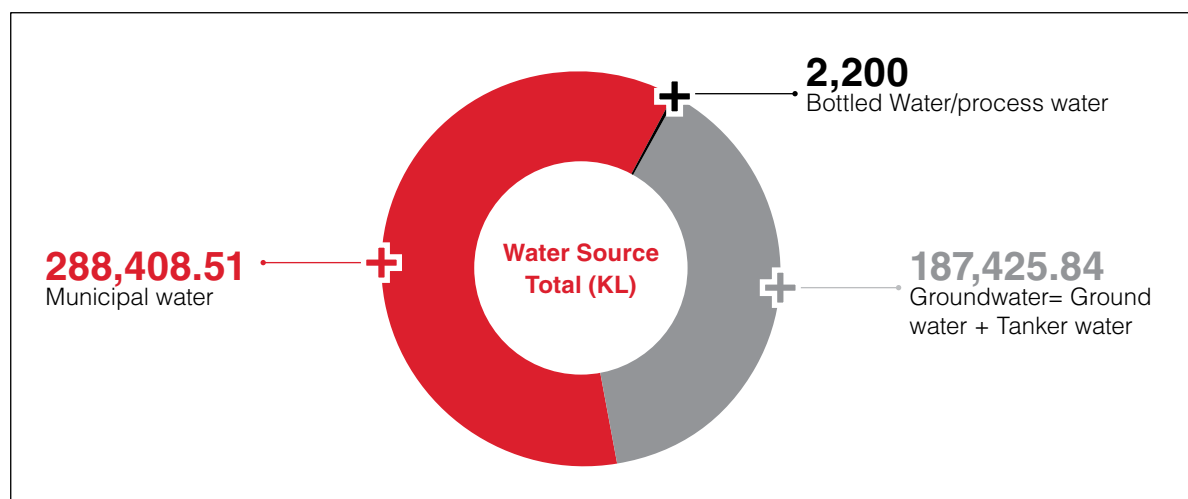
The sources of water are borewells, municipal supply, or tankers. We do not source any water from rivers or other water bodies directly.

**The total volume of water withdrawn (in KL)**

Water withdrawal in KL	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
	883,936.12	1,347,486.77	947,789.74	1,036,548.98	989,007	490,251	478,034.62



**Water Source of Withdrawal**



**Region-wise Water Withdrawal**

Location	Water withdrawal in KL
Mumbai	3,814.07
Bengaluru	21,131
Bhubaneswar	15,620
Chennai	46,124
Gandhinagar	4,284.72
Kolkata	3,544
Nagpur	16,003.40
Hyderabad	144,801
Pune	70,652
Vizag	13,554.00
Noida	36,100
Chandigarh	19,519.64
SINGAPORE	15
Malaysia Cyberjaya	951
China	1,761
Philippines	69,318
Belgium	101
Australia	1,008
Canada	3,754
Mexico	2,811
Germany	1,631
Hungary	461
France	574
England	151
Ireland	12
Romania	84
Sweden	173
Spain	80
USA	1.09

**Region-wise Water Consumption**

Location	Water consumption in KL
Mumbai	1,334.93
Bengaluru	20,611
Bhubaneswar	15,620
Chennai	43,319
Gandhinagar	1,499.65
Kolkata	1,240
Nagpur	16,003.40
Hyderabad	130,064
Pune	61,732
Vizag	13,554.00
Noida	26,804
Chandigarh	19,519.64
SINGAPORE	1
Malaysia Cyberjaya	48
China	88
Philippines	3,466
Belgium	5
Australia	50
Canada	188
Mexico	141
Germany	82
Hungary	23
France	29
England	8
Ireland	1
Romania	4
Sweden	9
Spain	4
USA	0.05

**Disclosure 303-4: Water Discharge\* (in KL)**

FY16		3,40,733.20
FY17		1,43,469.30
FY18		1,42,557.00
FY19		1,45,731.80
FY20		1,73,708.90
FY21		1,32,386
FY22		1,22,588.70

\*Wastewater is sewage generated from the washrooms at locations where the premises are leased offices that do not have their own STPs. The wastewater flows into the Municipal Sewage Line for most of the locations which are treated further through treatment plants. Also, most of our sites don't have discharge meters and due to the pandemic, headcount was very low on campus. In most of the cases in these locations, our water consumption is low. Therefore, we have assumed our Water discharged to be 95% of Water Withdrawal at a few of these sites

**Total water recycled and used (in KL)**

Total water recycled and reused (KL)	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
	405,139.2	420,949.02	504,071	606,461	590,950.7	203,202	235,401

In FY 2021-22, we recycled and reused 235,401 KL of wastewater through Sewage Treatment Plants from 11 locations. Our water recycled has reduced as compared to base year FY16 specifically due to pandemic where occupancy was low at the campuses.

**Location-wise Recycled Water**

(in KL)

Bhubaneswar - TMBC		8,357.59
Chennai - TMCC		17,198
Nagpur - TechM		888
Pune - Hinjewadi		39,064
Bengaluru - TMEC		18,165
Hyderabad - TMIC SEZ		15,602
Hyderabad - TMLW		3,932
Vizag - TMVC		15,669
Chandigarh - TechM		20,228
Hyderabad - TMTC		75,070
Noida - NSEZ		21,227

**Total Recycled Water**  
235,401 KL

**Disclosure 303-2: Management of water discharge-related impacts**

There is no discharge or runoff of water into water bodies at any of our locations. Wastewater is treated at the STPs and reused. At our leased locations, where there is no STP, the sewage is connected to the municipal sewers.

**Water recycled and reused**

We recycle sewage water in STPs at all our owned facilities and use it for landscaping and washrooms reducing our freshwater requirements. All such facilities are 'Zero Water Discharge' facilities.

**Waste Management****Disclosure 306-1: Waste generation and significant waste-related impacts****Disclosure 306-2: Management of significant waste-related impacts**

We are transitioning from a 'take-make-waste extractive industrial model' of the linear economy to the cradle-to-cradle circular economy model of growth that generates business and economic opportunities and provides environmental and societal benefits. We are arduously working towards generating less waste by focusing on the behavioural aspects of waste generation. We ensure that all waste we generate from our activities is reused, repurposed, or recycled through authorised recyclers and vendors.

We have a robust system of segregation at the source which is collected and managed using the principles of the circular economy. E-waste is collected and stored as per the guidelines of the E-waste (Management and Handling) Rules, 2011. Solid waste like food waste, paper, etc., is systematically being brought into the loop of the circular economy to implement zero waste in landfills. In the reporting year, food waste of 22 tonnes was converted to manure through vermicomposting and OWC which was used for landscaping.

The waste management processes by category are explained below:

Category	Waste	Disposal Method
<b>Hazardous Waste</b>	<ul style="list-style-type: none"> <li>+ Solid - UPS Batteries, E-waste and Plastic waste</li> <li>+ Liquid - Compressed oil and fuel from DG sets</li> <li>+ Complied with provisions of Hazardous Waste Rules, 2016</li> </ul>	<ul style="list-style-type: none"> <li>+ Sent to Waste Recyclers authorised by the State Pollution Control Boards at the respective locations</li> </ul>
<b>E-Waste</b>	<ul style="list-style-type: none"> <li>+ E-waste includes defunct computers, monitors, servers, laptops, and electrical items</li> </ul>	<ul style="list-style-type: none"> <li>+ Sent to registered recyclers, who are authorised by the State Pollution Control Boards, as per the E-waste (Management) Rules</li> </ul>
<b>Non-hazardous Waste</b>	<ul style="list-style-type: none"> <li>+ Scrap waste, paper and cardboard, garbage waste and other office waste</li> <li>+ Food waste from the canteens</li> </ul>	<ul style="list-style-type: none"> <li>+ Paper waste is sent to vendors for recycling</li> <li>+ Food waste is either composted on-site to generate manure for maintaining green belt or sent to piggeries</li> </ul>

**Disclosure 306-3: Waste generated**

**Disclosure 306-4: Waste diverted from disposal**

**Disclosure 306-5: Waste directed to a disposal**

Waste in Kgs	GENERATED	Used/recycled/sold	Disposed
Non-Hazardous Solid			
Food Waste	34,364.69	34,364.69	
Paper	27,381	27,381	
Garbage	28,824		28,824
Total Non-Hazardous Solid	90,569.62	61,745.69	28,823.93
Hazardous Solid			
E-Waste	67,382	67,382	
Battery Waste	17,700	17,700	
Scrap	1,877.0	1,877	
Oil Filter	54.00	54	
Total Hazardous Solid	87,013	87,013	
Total Solid Waste	177,582.62	148,758.69	28,823.93
Hazardous Liquid Oil in Kgs	6,626.40	6,626.4	
Total Liquid Waste in Kgs	6,626.4	6,626.4	
Total Waste Generated in Kgs	184,209.02		
Total Waste Used/Recycled/Sold		155,385.09	
Total Waste disposed			28,823.93

## Promoting Biodiversity

Biological Diversity is the fundamental core of sustaining life. Any loss of biodiversity directly impacts the quality of human life. The benefits of environmental conservation and restoration reach far and wide, across sectors. Businesses have realised the positive effects of biodiversity on bottom lines. There is a strong business case for integrating biodiversity considerations into core management systems. The information technology sector can leverage technology and play an enabling role in protecting and conserving biodiversity.

Businesses and Biodiversity are interlinked. Tech Mahindra identifies the strategic importance of Biodiversity conservation and is committed to protecting natural resources across campuses. We have a [Biodiversity Policy](#) and a directive on protecting habitats and species. We ensure that none of our operations hurt biodiversity by complying with all the conditions identified and recommended during environmental impact assessments.

### Promoting Biodiversity Through Awareness Raising

Tech Mahindra has incorporated biodiversity into its daily operations. Our associates recognise the importance of Biodiversity for human life. We have planted 80,000+ trees in the last 6 years. The Corporate Sustainability Cell organised a painting contest based on the theme of Biodiversity for art lovers to showcase their talent. A representation by an associate represents how all species can co-exist in harmony.

### Disclosure 304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.

None of Tech Mahindra Facilities owned or leased is adjacent to protected areas and areas of high biodiversity value.

### Disclosure 304-2: Significant impacts of activities, products, and services on biodiversity.

We have green landscapes across locations with diverse species of plants, trees, and shrubs in abundance. The serene ambience is intensified when associates enjoy the swans in the pond at our Pune Hinjewadi campus. This encourages the associates to appreciate the importance of diversity among all life species and understand how all life forms are interdependent and impact each other.

### Disclosure 304-4: Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations

There are no IUCN Red List species or national conservation list species in the vicinity of our locations.



**Biodiversity at Our Campuses**



In any organisation, meaningful engagement across the spectrum can be challenging. Associates are often unsure how their jobs connect with the company's sustainability program(s) and strategies, and many companies find it challenging to integrate and inspire a sustainable way of life in the day-to-day activities of their workforce. The net result - associates often end up being an underused and undermotivated resource in a company's sustainability journey.

When we make Sustainability Personal, it transcends the boundaries of targets and roadmaps to become a real-life experience and a purpose. Making Sustainability Personal (MSP) is an effective way to drive thought and action at the workplace. This

programme harnesses individual shifts in behaviour to internalise sustainability. When associates are inspired to make sustainability personal, it also helps fight pollution and curb climate change.

MSP encourages moving towards thoughtful and conscious spending which paves the way for a just and equitable world. While individual actions are important, the other key stakeholders who need to act for a global reboot are corporations and governments. All three stakeholders have to work in tandem. However, sustainability across all three levels is neither convenient nor easy. It involves long-term planning, deliberation, and investment.



At Tech Mahindra, we believe that each one of us can be a harbinger of change with our sustainable choices to support better health, improved family ties, and overall wellbeing. Globally, companies are embracing sustainable products and services. If we introspect, we discover several opportunities to be sustainable in our personal space too.

There's a lot we can do to reduce our environmental footprint to leave more room for other life forms who have equal rights to this planet. Few individual initiatives are:

1. Ban products that endanger wildlife, be water-wise, skip bottled water. Changing your driving habits can dramatically reduce your carbon footprint-drive less, and drive green. Walk, bike, carpool, or use public transportation whenever possible.

- Green your home. Just as keeping your car in shape improves your fuel efficiency, keeping your home in shape improves your energy efficiency. Kicking fossil fuel habits is critical to saving wildlife, slowing climate change, and protecting our lands and waters.

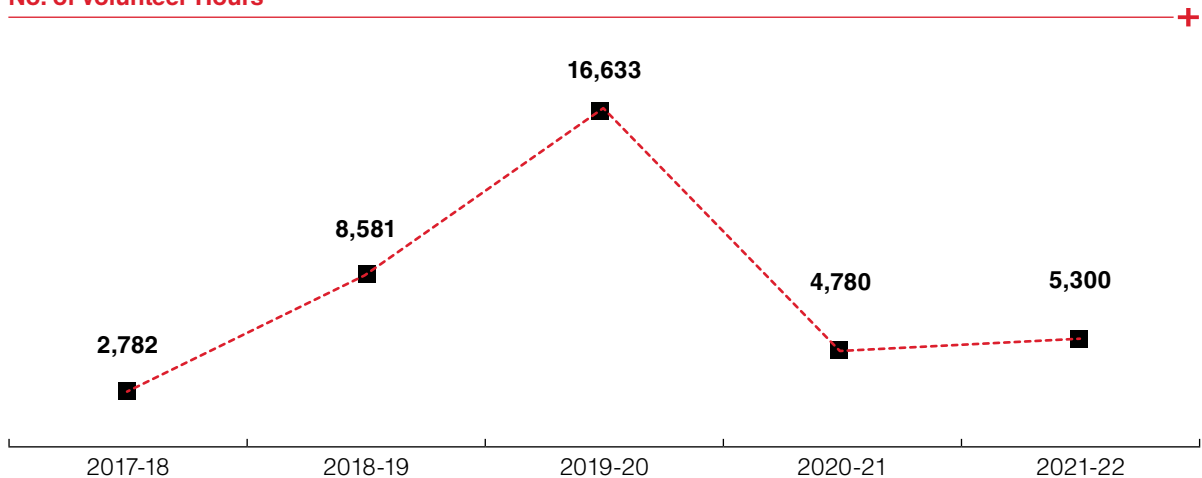
Tech Mahindra conducted sessions on zero waste living aimed at spreading awareness on 1) Minimizing Food Waste and Eating Locally, 2) Ditch Plastic Packaging - Go Plastic Free. 3) Plastic never goes away, Eliminate Disposable, Paper Products, Avoid Plastic Bags. 4) Compostable Items- Separate Waste, and Recycle Everything You Can.

Such efforts are driven by Green Marshals – a small band of TechMighties who are passionate about environmental sustainability. Green Marshals has been our ongoing initiative along with JOSH. It enables us to create a platform for the associates to engage in co-curricular and societal activities driven towards environmental stewardship and carbon responsibility. Over the years, the Green Marshals have increased their volunteering hours.

The Green Marshals consistently devise methods to motivate associates for Green activities by Making Sustainability Personal.

### MSP Associates Volunteering Hours:

#### No. of Volunteer Hours



### Green Marshals Initiatives During the Year

#### 1. Launching Green Marshal 2.0 Program:

The pandemic has changed the way we work. Even as associates follow social distancing, they contribute to green initiatives in many ways:

- + Planting a tree
- + Training on composting systems at home
- + Adopting solar power
- + Turning off electronic devices when not in use
- + Using ecological products and bags
- + Reducing printing and go paperless
- + Recycling electronics or battery waste
- + Advocating green initiatives locally by partnering with NGOs
- + Educating associates and their family members on going green

**2. Celebrating World Environment Day:**

The theme of the Environment Day celebration was “Ecosystem Restoration”. A webinar was conducted on ecosystem restoration and promoting eco-friendly products. While talking about Ecosystem Restoration, associates were asked to download the virtual thematic wallpapers in the closing session. Each wallpaper urges individuals to Act on Climate Change. An associate awareness quiz was conducted on the topic of “Restoring Ecosystem” & “Promoting Eco-friendly products”. Plantation drive organised across locations to support biodiversity on campus and move towards carbon neutrality goal. As most associates were working from home, we encouraged them to plant a tree themselves- either indoors or outside their homes.



**3. Biodiversity Awareness:**

Associates were asked for their ideas on how we could all-together save the planet. We conducted an online event on “One Earth, one home, one chance to save it” for the associates to participate and win prizes. On International Biodiversity Day, we conducted the Biodiversity Photography Contest for our colleagues, and Nature Conservation: Through a Child’s Mind for associates’ children.

To realise the true potential of green consumers, businesses must help consumers change their behaviours which requires removing the hurdles between consumers’ intent and actions. On green consumer day, we organised live workshops on eco-friendly products/concepts like:

- + Saving energy consumption at home and around
- + Biodegradable & compostable products
- + Recycling & using eco-friendly products

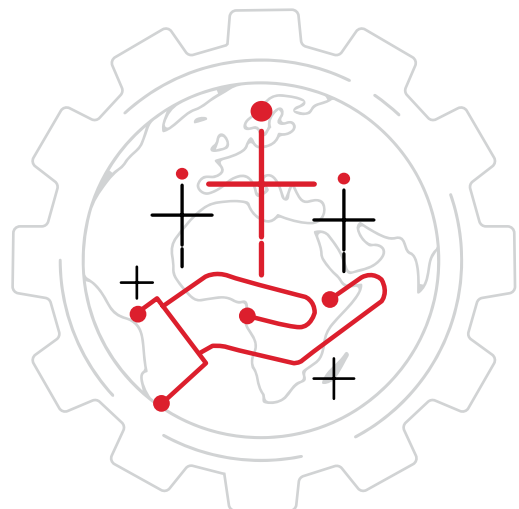


The motto of the sessions was to create associate awareness on how to:

- + Increase energy efficiency
- + Reduce waste
- + Consume healthy foods

**4. Green Consumer:**

Consumers want to buy ecologically friendly products and reduce their impact on the environment. But, this is often forgotten when it comes to actual buying of green goods. Only 33% of consumers buy green goods. Green Marshal team has committed to using products and services that have undergone an eco-friendly production process or one that involves recycling and safeguarding the planet’s resources.



## 5. Zero Waste living (Recycle whatever you can & compost whenever you can)

To make associates adopt zero waste living at home during the pandemic, we conducted sessions on:

- + Zero waste Diwali celebration
- + Reducing plastic pollution

## 6. Awareness of Making Sustainability Personal:

We conducted monthly green quizzes virtually to create associate awareness on:

- + Climate change
- + Saving energy & water
- + Biodiversity
- + Waste handling

Sustainability awareness webinars were conducted on 'Ways to individual social responsibility' and we launched certification courses on:

- + Cities & Climate Change
- + Human Health & Climate Change

## 7. Mitigating Climate Change:

A webinar was conducted on mitigating climate change, which covered the following topics:

- + Global warming
- + Mitigating climate risk
- + Renewable energy

## 8. Plantation Drives:

1. Driving nationwide Vanomahotshav – the week of July-01 to July-07, 2021 with a mega plantation of 4,000 trees by the Mumbai team
2. Tree Plantation with the team at Tech Mahindra's client location - SBI Belapur
3. Celebrating 'Green Independence Day' by painting trees across locations
4. Initiated an e-learning course on the topic "Climate Change: From Learning to Action", to strengthen the awareness on climate change



# TCFD Report for Tech Mahindra

Climate change is a challenge faced by governments, economies, businesses and society. To achieve the goals of the Paris Agreement, we disclose climate-related risks and opportunities in line with the recommendations of the Taskforce on Climate-Related Financial Disclosures (TCFD). In recognition of the growing significance, and the increased need to understand the impacts of climate change on our business, we conducted climate scenario analyses for the top two risks in alignment with TCFD.

## Governance

The Board of Directors provides oversight of climate-related risks and opportunities through the Risk Management Committee and CSR Committee at the Board. Risk Management Committee at the Board monitors assesses and reviews climate risks in alignment with TCFD along with other enterprise-level strategic, business, people and risks each quarter. The Risk Committee also reviews the effectiveness of the Risk Management Process for material topics. The CSR Committee of the Board is the final authority for review, and prioritisation of material matters and decision-making on sustainability, including climate change and gives direction to the sustainability strategy, plans of action, budget and performance. Mr. C.P. Gurnani, the MD & CEO, is responsible for overseeing the integration of sustainability and climate risks and opportunities into the overall corporate strategy. He also ensures that climate-related risks and opportunities are effectively communicated to the Board as well as the investors and other stakeholders. TechM's Sustainability Council is actively involved in the setting and execution of climate and sustainability strategy. Corporate Services and the Human Resources departments coordinate with the Sustainability Council to integrate sustainability with business.

## Strategy

As part of the global effort to tackle climate change, our strategy is to transition towards a climate-centric business and Net Zero technology. The focus is on reducing the carbon footprint across all our facilities, operations and the supply chain. Digitisation and Artificial Intelligence offer opportunities to optimise the use of resources and reduce the overall impact of human activities on the environment. As a technology company committed to enabling stakeholders to

Rise, we are developing climate-centric solutions to support our operations, customers, and society.

Materiality assessment was carried out to identify climate-related risks and opportunities across the transition and physical scenarios and the impact on our business for an 'ambitious' < 2-degree climate scenario and a 'business as usual', 4-degree scenario. The scope was confined to operations. The geography for the risks was India since the facilities across India cover a significant percentage of the employees and project delivery.

Climate change has been identified as one of the critical risks for Tech Mahindra which may impact our business in the short, medium and long-term. The process to identify climate-related risk is integrated with the Enterprise Risk management Process, discussed in detail in the <Risk and Opportunities Chapter>. The transition risks and opportunities we considered are future policy, regulations and changing customer preferences. And for physical risks, we considered extreme weather events and increasing global temperatures.

## Scenarios Analysis

We are cognizant of climate-related risks and how they affect our resilience and financial stability. To further understand the impact that climate change could have on TechM's business in the future, we performed a high-level assessment of the impact of 2°C and 4°C global warming scenarios. Tech Mahindra's Corporate Sustainability Cell prepares and publishes sustainability and climate risk reports externally, and reviews and conducts scenario analyses to identify climate-related risks and opportunities. Moreover, we have aligned our scenario models with the recommendations of TCFD. These recommendations and approaches were used to assess the resilience of our activities, considering the climate scenarios.

The key questions that the scenarios analyses were geared to address including identifying and ranking climate-related impacts and likely timing. These are at a firm-specific, location-specific, systemic and macroeconomic level. We evaluated implications for our physical assets, people, supply chain and customers besides other stakeholders and material issues. Additionally, we identified the variables to

be considered to assist decision-making around strategic options as well as implications from mitigation-related investments.

These scenarios and appropriate implications are then integrated with our business strategy, risk management and financial planning processes. This includes long-term planning for delivery locations,

investments to augment our business continuity and disaster recovery plans etc. This also influences our strategic choices for operational resilience like increased use of cloud technology to augment our technology infrastructure. The opportunities identified are incorporated into our growth strategy for example our innovations and portfolio of green solutions.

### Transition Risk - Regulatory Risk of Carbon Tax

In alignment with the commitment under the Paris Agreement, the Government may impose National Emission Reduction Targets for the industry.

Policy instruments may be imposed to incentivise renewable energy, promote energy efficiency and discourage fossil fuels.

Carbon tax (ranging from USD 14 to USD 700 /t CO<sub>2</sub>\*) may be imposed on the industry which may lead to an increase in compliance expenditure and business disruption.

The transition scenario assessed the impact on our business for regulatory risk only.

\*Source: International Energy Agency's AIM-CGE model for India

### Physical Risk - Increased Global Warming

Precipitation patterns are changing within the Indian Sub-continent because of global warming. An increase in temperature is leading to an increase in the number of warm days. Areas where heavy rainfall was traditionally observed, are seeing reduced precipitation and some drought-prone areas are experiencing delayed monsoon.

The physical manifestations of climate change by 2030 are the increasing radiative forcing of 3.276 W/m<sup>2</sup>- 8.5 W/m<sup>2</sup> and temperature by 4°C\*\*.

The 'Business As Usual' scenario was assessed for the impact of physical risk only on the business.

\*\*Source: RCP 8.5 data for India.

### Business Impact

We focused on understanding the impact on our P&L, in particular, operations and sourcing costs.

- + Carbon pricing mechanisms and policies have been introduced in key countries due to which there has been a shift in customers' & clients' preferences. Non-compliance with regulations to manage climate change like carbon pricing may lead to reputational & revenue risk
- + Investment in greening the operations and migrating to renewable energy may increase both operating costs and sourcing costs which eventually affect the P&L
- + Increased frequency of extreme weather (storms and floods) causes an increased incidence of disruption to our operations and delivery
- + Temperature increase and extreme weather events reduce economic activity, affect employees and assets, hence efficiency to deliver our services falls leading to revenue loss
- + Temperature increase would also increase fossil fuel consumption to meet the energy demand by the campuses

### Data Used

Both Internal & External data were considered for the scenario analysis, where the data for 2100 was used to calculate the impact for 2030 (for our SBTi target).

- + External data was used to understand the climate-related risks and opportunities. This data was extracted from International Energy Agency's AIM-CGE & RCP 8.5
  - o Temperature & carbon pricing outcome in 2030 (i.e. 2°C vs 4°C) for India location
- + Internal data – We used 2015-16 forecast greenhouse gas (GHG) emissions and historic internal financial data (as 2015-16 is our base year)

We used these to understand the potential impact on our business in 2030.

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### Managing Risk & Opportunities

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The transition to a low-carbon economy presents several risks, but also opportunities for TechM over the short and medium-term – notably from changing consumer preferences and future policy and regulation.

Our growth and profitability are determined by our portfolio, geographical and channel presence, and how these evolve in response to consumer demand. Failure to pre-empt or respond to changing consumer preferences could impact our growth.

We ensure a low carbon footprint in the delivery of our client services. For example, our Bengaluru campus runs on 95% renewable energy and the rest of the campuses in India host solar panels which are funded through internal carbon pricing.

Current and emerging laws and regulations have the potential to impact financial performance as governments may take action, such as the introduction of carbon taxes or zero net emission policies. Our business is heavily dependent on energy (i.e. electricity). Energy efficiency in operations transition to renewable energy is a key priority. We have adopted the SBTs to reduce our Scope 1+2 emissions by 22% by 2030 and 50% by 2050. We have introduced a Carbon Pricing of USD 14/MTCO<sub>2e</sub>. The funds from Carbon pricing have been allocated to solar power plants, sewage treatment plants, PPA's, LEDs, HVACs, and energy efficiency devices and projects.

We face physical climate change risks and opportunities in our supply chain, P&L and direct operations over the short and medium-term – notably from the effects of extreme weather and water scarcity.

TechM's business depends on employees, technology and uninterrupted energy sources. Both the increased frequency of extreme weather events and changes to weather systems could disrupt our value chain. While the frequency and extent of extreme weather are hard to predict, we monitor changing weather patterns on a short-term basis and take action to mitigate any negative effects.

Extreme weather also has the potential to impact TechM's operations and assets, including our leased as well as owned campuses which could suffer physical damage or loss. We use sustainable building standards such as LEED Certification, and OHSAS Certification for new developments to future-proof our assets and reduce obsolescence.

Water scarcity is a growing problem that requires global attention and action. We foresee increased costs in purchasing freshwater with the growth of our business operations, risk of decline in Brand value and loss in revenue. We have established a robust Water Management Strategy and Plan. We are installing STPs, Rainwater Harvesting systems, Water sensors, and restrictors to reduce our dependence on freshwater withdrawal thereby reducing expenditure on freshwater.

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### Metrics and Targets

We measure and report our greenhouse gas emissions and energy and water consumption annually in our Integrated Report/Sustainability Report since 2013-14. We include some targets which relate to climate risks and opportunities across our value chain. Performance against key targets can be found in our Sustainability Roadmap in the <Materiality Assessment> section with details in the chapter on <Natural Capital> along with the strategy and actions we are taking to achieve them.

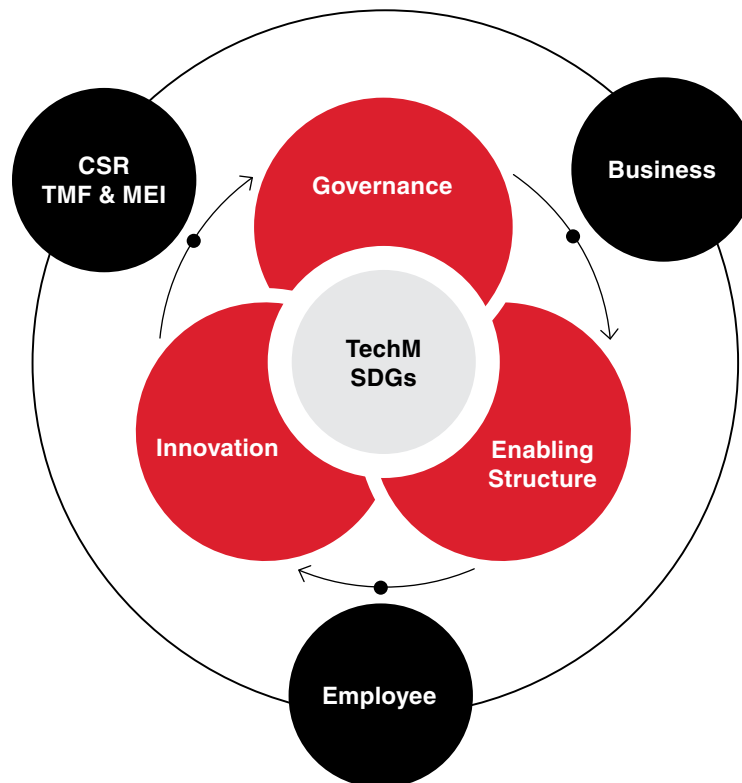
We are committed to reducing our GHG emissions by 59% by 2030 and becoming Net Zero well before 2040. We have taken a target to increase our RE mix to 50% by 2025 and 70% by 2030. We have developed our roadmap plan to annually assess the feasibility to reach our target at all facilities.

We have a role to play in the global movement toward low carbon growth and development. We are working collaboratively with partners, suppliers, and other organisations to achieve our ambition including with organisations such as the United Nations Global Compact, the World Economic Forum and the World Business Council for Sustainable Development.

# Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) together provide a shared blueprint for peace and prosperity for people and the planet in the immediate and into the future. Also known as global goals, they are an urgent and universal call to action to be achieved through a global partnership by 2030. Though an enormous challenge, the pandemic has also provided the opportunity to act as an impetus for accelerating the path to the 2030 SDG agenda. The universality of issues facing this

interconnected world came to the forefront through the pandemic revealing the inherent wisdom of the SDGs. The challenges faced by humanity and the planet cannot be dealt with in isolation and need a concentrated yet cooperative approach. Customers, investors, employees, and regulators are increasingly demanding that businesses become socially, economically, and environmentally responsible in their day-to-day activities.



TechM has embraced the SDGs to create a roadmap guiding our actions today to address the challenges of today and the future. We recognise that a focus on these is not only necessary but a business imperative and are also in-line with the national goals. We are using the SDGs as an overarching framework to shape, steer, communicate and report our strategies, goals and activities. At TechM, we are actively working on multiple aspects of development that are aligned with the different themes of the SDGs. We have integrated the SDGs into business planning and activities, with a focus on the Company's key activities.

Our overall approach is strategically enabled by three fundamental pillars of our organisation:

- + Governance:** Our governance mechanism is driven by ownership of our sustainability strategy and goals by the Board and our executive leadership. The CEO periodically reviews the progress on sustainability initiatives and actions through leadership Balance Score Cards. These are further supported through policies and procedures to support our SDG ambitions.
- + Innovation:** Our innovation team's focus not only helps enhance the effectiveness and efficiency of our solutions but also takes on broader societal issues. This philosophy is extended across customers and permeates the culture of the organisation.
- + Enabling Structures:** We have consciously created organisational structures to channel our efforts toward the SDGs. These include, for example, a central sustainability cell, health and safety as well as Diversity and Inclusion teams to ensure appropriate rigour in our actions.

On the ground execution of the SDGs is driven through three facets to facilitate action:

- + Business:** Internal business processes and the customer challenges we address through our solutions.
- + CSR initiatives:** Working with communities on education, employability, and disability through the TechM Foundation and Mahindra Educational Institutes (MEI) is our foray into addressing access to higher education.
- + Employee Participation:** Our associates work on our goals through initiatives like Green Marshals, Josh and corporate volunteering besides the formal roles they play in their respective teams.

**Material SDG Priorities for TechM**

Our focus is on ensuring continuous progress to work better alongside government, society, and other stakeholders to pursue a meaningful impact on sustainable development. Thus, we constantly re-examine our approach to the UN Sustainable Development Goals (SDGs) – in conjunction with our purpose, business, risks, materiality, and sustainability strategies. We drive sustainable development internally through the way we conduct business, with our partners/collaborators as well as the communities we work with externally. TechM provides equal employment opportunities across various aspects of Diversity & Inclusion and safe, healthy work environments to its employees. Following the Rise philosophy to help ALL, we also address varied impacts of economically marginalised communities through enabling sustainable livelihoods, access to resources and technological innovations.



**SDG 1 - No Poverty and SDG 2 - Zero Hunger**

We believe in addressing 'No Poverty' and 'Zero Hunger', through TMF by enabling access to sustainable livelihood and equal economic resources, healthcare and basic services such as clean and sanitised toilets to vulnerable communities.

- + COVID Relief and Rehabilitation Programme** provided food, equipment and safety gear to the vulnerable

- o 572 Projects Supported across 17 states, 9.44 Lakh Supported with Dry Ration Kits, 5.45 Lakh Cooked Meals Distributed and 4,286 families Supported with Direct Cash

- + 'Flush the Virus'** Partnered with UNICEF India and Triratna Prerana Mandal (TPM) to provide sanitised community toilets to 3.05 Lakh beneficiaries across Maharashtra

Our Innovation team supports the drive to end hunger, achieve food security and improve nutrition by supporting farmers in more sustainable agricultural practices. Read more [<Intellectual Capital>](#)

- + Agri-Tech solutions that leverage AI, IoT, AR/VR and traditional knowledge with digital communication channels and standalone mobile apps

- o Solutions include Panchang (weather prediction), Atmanirbhar Krishi (low connectivity friendly information on crops, soil, water, etc.), a databank for sustainable pest management, etc.
- o AR/VR based Training on Sustainable Agriculture practices, Modern Scarecrow



### SDG 3 - Good Health and Well-Being

Our 'Wellness before Business' mantra manifests itself in our approach towards our associates, partners as well as beneficiaries of our CSR efforts. This also led to supporting the healthcare system, frontline workers as well as corporate volunteering efforts during the pandemic

- + The Employee Health and Safety team ensures ergonomic and safe facilities, incidence management, awareness efforts sensitisation and other facets of OHS. Read more [<OHS>](#)
- + Created a new role of Chief Wellness Officer to drive our WoW (World of Wellness) initiatives which cover all aspects of associate well-being and provide a variety of tools and engagements. Read more [<Wellness>](#)

TMF is significantly invested in improving the overall healthcare system in the country through providing skilling and employability for healthcare professionals. Thus, TMF also has an indirect positive impact on SDG3.

- + Delhi Healthcare Academy became the International Training Center authorised by American Heart Association for Basic Life Support (BLS), and Heart Saver First Aid & CPR courses
- + Partnered with Mohan Foundation to introduce course for upskilling of Organ Transplant Coordinators
- + Launched SMART Incubation programme with Institute of Rural Management Anand and Haqdarshak as knowledge partners to enable Medical Lab Technicians to start/manage their existing business
- + Mumbai Healthcare Academy is registered with the National Apprenticeship Promotion Scheme (NAPS) scheme of GOI under Skill India.

Additionally, TMF's COVID relief efforts were also geared toward supporting the healthcare system. Read more [<CSR>](#)

- + 55 Hospitals were supported with donations in their healthcare infrastructure, 62,010 PPE kits to Frontline Workers and 14,080+ hours volunteered by TechM associates
- + TMF SMART Academy for healthcare also provided several short-term courses for Covid Warriors besides capacity building for Aanganwadi, Sanitation and Social frontline workers
- + TMF partnered with Fortis School Mental Health Programme and Macmillan India for capacity building of 1,230 school teachers for identification of psychological issues among children

We also deployed our innovation muscle to rapidly deliver community health projects and supported the government in pandemic response. Some of our work includes a patent-applied therapeutic drug for COVID, Health ATM Kiosks for rural access to healthcare, SOS Seva and Mhealthy among many others.



Keeping you safe. | POWERED BY TECH MAHINDRA

Mhealthy is a comprehensive solution powered by AI/ML and other Next-Gen technologies to enable data-driven digital diagnostics and real-time reporting. The solution seamlessly connects health providers with employees while tracking and monitoring their overall well-being providing scalable results through a dashboard. It also enables audio/visual teleconsultation which has been certified and clinically tested, besides being cleared by Central Drugs Standard Control Organization (CDSCO).

Point-of care device	Mobile App	Multi Parametric Report	Data Dashboard
AI/ML enabled device facilitating rapid digital diagnostic to generate reliable results	The mobile app enabling self-assessment, individual tracking and teleconsultation	Comprehensive screening report that includes test for COVID-19 Antibody, Blood glucose, Blood pressure, Oxygen Saturation level etc.	Real-time dashboard enabling data-driven decision making for the employer

Visit: <https://www.techmahindra.com/en-in/healthcare-life-science/mhealthy/>

## MIND@EASE

We have established Mind@Ease™, a joint venture between Tech Mahindra Foundation and Tech Mahindra Limited’s Makers Lab. We provide an aggregator of counselling services offered across the country. Service providers on this platform are reputed and credible organisations, providing counselling services in diverse categories like mental health & well-being, career, jobs and livelihood, COVID-related counselling, relationship management and many more - Over 2,042 people (18 years & above) have reached out to us and accessed the benefits.

Visit: <https://mindatease.techmahindrafoundation.org/>



### SDG 4 - Quality Education

We firmly believe that inclusive and equitable quality education is one of the most significant drivers of all social development and we work towards this in a focused fashion. TMF helps us deliver on this through a variety of focused programmes improving access and quality of education for children in schools as well as capacity building for their teachers. Read more [<CSR>](#)

- + 46 Programmes across the country focused on supporting students and teachers and improving the quality of education
  - o Capacity building for 61,500 teachers through Shikshaantar and In-service Teacher Education Institutes (ITEIs)

- o Supported 71,442 beneficiaries through ARISE (All Round Improvement in School Education) with support
- o Provided laptops and tablets along with the capacity building amongst teachers and students to bridge gaps in digital skills and technology access besides addressing cybersecurity challenges

Additionally, Mahindra Educational Institutions (MEI) help enhance access to professional education in high opportunity areas to drive education and livelihood ambitions. Read more [<MEI>](#)

### Digital Remote Education Solution for Colleges, Universities and Enterprises.

A key feature for continued education during the pandemic was the deployment of remote, digital modes of learning. Given the greater ability to enhance reach and impact, many educational initiatives have embraced the blended learning model. TechM's pre-integrated, production-ready digital solutions address remote education needs enabling seamless access to high-quality learning content across devices.

- + Digital Learning - Virtual classrooms, whiteboarding, skill assessment and digital learning enable access to virtual classroom functions by streaming real-time interactive HD/UHD video of the instructor, and access to on-demand video of the content.
- + Intelligent Immersive Learning – Access to virtual tutors using mixed reality features, gamified 360° interactive video and microlearning based content using AR/VR platforms and targeted recommendations



### SDG 5 - Gender Equality and SDG 10 - Reduced Inequalities

We believe that equality in access to opportunities for growth is a human right across the spectrum of gender, physical or mental abilities, caste race, etc. is essential for economic prosperity. TechM's culture embraces the vitality and innovation that Diversity and Inclusion bring to us. Additionally, we work with other stakeholders including NITI Aayog to enable a systemic elimination of gender bias

- + We ensure a safe, hassle-free, and friendly workplace that encourages participation from all facets and is managed by our D&I team through a variety of initiatives. Read more [<D&I>](#)
- + TechM has collaborated with NITI Aayog's Women Entrepreneurship Platform (WEP) to create an ecosystem of technology and other support to help them execute their business strategies besides partnering with the winners of the Women Transforming India (WTI) awards

The Board mandate for TMF is the Empowerment of girls/women and they comprise 50% of the beneficiaries of the CSR Initiatives on Employability, Education and Disability. In addition, we offer programmes to support PwDs actively through a range of interventions within the SMART+ and ARISE+ programmes. Their employment initiatives also help address economic inequalities by ensuring skilling for sustainable livelihoods. Read more [<CSR>](#)

Makers Lab is working on specific technology solutions to support women entrepreneurs and has also developed innovations like Niks Octave (a new system to assist the visually impaired) and BHaML (to be able to code in the mother tongue instead of being limited by poor knowledge of English).



### SDG 6 - Clean Water and Sanitation

TechM's water stewardship programme focusses on efficiency, responsible sourcing and engendering water security. Both within our operations, we have invested in water recycling, wastewater treatment, rainwater harvesting and Participative Ground Water Management. Read more [<Natural Capital>](#). We also work with our suppliers on effective water management through a predictive AI model and the

development of solutions to help reduce operational water consumption.

- + Partnered with Smart Energy Water (SEW) to accelerate digital transformation for the energy/water utility industry
- + TMF provided capacity building for sanitation workers besides the 'Flush the Virus' programme for providing access to sanitised toilets



**Malaysia's largest water utility (Water & Wastewater)**

Provided a single point of contact to maintain and integrate service applications and contract portfolios. This improved quality review of all enhancements, release and deploy plans, response time and enhanced operational efficiency.

**IMPACT:** Better customer satisfaction and CXO decision-making system with KPIs. [Read more](#)



**SDG 7 - Clean and Affordable Energy, SDG 9 - Industry, Innovation and Infrastructure and SDG 11 - Sustainable Cities and Communities**

As leaders in the technology industry, we are harnessing the power of big data, artificial intelligence and quantum computing to solve 'climate change' problems. By leveraging these enabling technologies, we bring to bear our deep knowledge of sectors and experience in sustainability practices to bring reliable, energy-efficient options which are complemented by a portfolio of IoT-powered smart-city solutions. This comprehensive set of solutions helps integrate the benefits of connectivity, data and analytics into energy and urban planning systems.

- + 'Our IoT-based solution 'Connected Solar Plants' can connect solar plants globally, and help in forecasting production, monitoring substations, analysing real-time trends, auditing and reporting energy production. The plug-and-play device support sends timely alerts and notifications during critical events to avoid any inadvertent incidents
- + Our Smart Building Management solutions help in managing energy, efficiently within buildings. Some of the solutions include Smart Energy Management, Smart Street Lighting, Smart

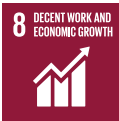
Automated Meter Reading, Smart Bins and Integrated Command and Control Centre

- + Some other solutions include IEVCS, Integration of Distributed Energy Resources (DER) to the Grid and Utility Rise
- + We have extended the experience of our sustainability practices to create a variety of solutions to help understand and minimise the climate change impacts on our customers. Read more [<Green Solutions>](#)

Our Innovation focus is on the continuous development of IPs, platforms, automation and tools to deliver greater value to our customers. We have also developed specific solutions for sustainable infrastructure, industry and communities like ENetra (an IoT device for real-time energy management for residential and industrial use which has been developed and produced in-house). In addition, improving technology access through tools like BHAML and building innovation ecosystems create a significant impact on making our communities more equitable and sustainable.

**Renewable Insight**

A TechMNxt IoT platform solution on Microsoft Azure and Amazon Web Services for solar and wind companies to meet the changing current and future needs of the industry. The platform will enable remote asset health monitoring, real-time production forecast and alerts, advanced interactive plant performance analysis, and automatic fault localisation. Smart and Digital features such as SCADA/Grid status and location maps help utility companies in maintaining and lowering their operating costs.



## SDG 8 - Decent Work and Economic Growth

We believe that sustained and inclusive economic growth at the workplace is an instrument to drive progress, create decent jobs for all and improve living standards. Our policies and practices are focused on creating a healthy and learning work environment that is appropriately compensated.

- + We provide a variety of technical and leadership learning opportunities to our associates to help them in their careers. Read more [<Learning and Development>](#)

Our goal of ensuring sustainable and inclusive growth across all sections of society is evident from

TMF's initiatives on enhancing employability with 94 projects having 116,130 Beneficiaries to date. Read more [<CSR>](#)

- + SMART (Skills for Market Training) programme focusses on developing employability related skills for youth
  - o 5 SMART Academies for Healthcare, 3 for Digital Technologies and 1 for Logistics
  - o Extended to SMART-T for technical courses and SMART+ to support PwDs



## SDG 13 - Take urgent action to combat climate change and its impacts

Our management is committed to actions and initiatives to address the global challenge of climate change. Our climate strategy and investments to curb greenhouse gas emissions are easing our way towards carbon neutrality. We participate in SBTi, Carbon Pricing and pledged to set climate targets that align with limiting global temperature rise to 1.5 degrees Celsius as per business Ambition for 1.5 degrees Celsius – Our Only Future. Our Climate strategy and progress report on its performance is discussed in the chapter [<Natural Capital>](#). Our understanding of Climate Change Risks and Mitigation Strategies is discussed in detail in the chapter [<Risks and Opportunities>](#).

Our employees are advocating the use of eco-friendly products to protect the environment and ensure a

sustainable future. Our organisation-wide initiatives like '3-4-3 for Individual Social Responsibility, 'Ride for Pride' etc., and the current 'work from home' is ensuring the employees of a carbon-neutral future.

Developed by Tech Mahindra, #AI4Action is a global collaborative community of thinkers, innovators and researchers from educational institutes and corporations that is focused on finding solutions to tackle climate change. We leverage AI-powered ACUMOS to address the environmental challenges impacting the world. We also provide access to participants so they can access, build, share and deploy their AI-powered applications to tackle climate change.

Tech Mahindra collaborated with MK to support Community Action Platform for Energy (CAPE). CAPE is an interactive website that will allow citizens and communities in Milton Keynes, the UK to start and run projects that will make their energy use cheaper, more effective and more sustainable.

<https://communityactionmk.org/projects/cape/>



## **SDG 17 - Strengthen the means of implementation and revitalise the global partnership for sustainable development**

TechM's Collaborative approach to addressing some of the global challenges like health care, climate change, inequality, etc. is accelerated by partnering with the government viz. NITI Aayog, MoEFCC and global organisations like UNGC, WEF, TERI, CDP, etc. We support the initiative 'Caring for Climate' and UNGC, together with UNEP and the secretariat of the UNFCCC, that helps shape the engagement of businesses with climate change. The Caring for Climate initiative has mobilised a critical mass of business leaders to implement climate change solutions and help shape public policy. Innovation across the globe is facilitated through Makers Lab and powered through partnership & collaboration to develop sustainable & inclusive solutions for the future. TMF works in partnership with 139 NGOs to create an atmosphere & ecosystem of collaboration, cross-learning & mutual benefit for partners and

communities alike. The Foundation runs a SMART Centre in partnership with SOFIA an NGO in Delhi that investigates rehabilitating the women victims of domestic violence and helps them learn specialised skills to facilitate livelihood opportunities. Women are provided with educational training & welfare safety nets. We are involved in developing and implementing partnership projects with public or private organisations (UN entities, government, NGOs, or other groups) on core business, social investments and/or advocacy.

We collaborate and participate with industry peers, UN entities, and/or other stakeholders in initiatives contributing to solving common challenges and dilemmas at the global and local levels with an emphasis on initiatives extending the Company's positive impact on its value chain.

## Emission factors for Environment Indicators

Scope 1			
HSD	2.70553	MTCO <sub>2</sub> e/kl	DEFRA*
R22	1810	kgco <sub>2</sub> e/kg	DEFRA*
R410A	2088	kgco <sub>2</sub> e/kg	DEFRA*
R407A	2107	kgco <sub>2</sub> e/kg	DEFRA*
R134	1100	kgco <sub>2</sub> e/kg	DEFRA*
R32	675	kgco <sub>2</sub> e/kg	DEFRA*
Scope 2			
India	0.00079	MTCO <sub>2</sub> e/kwh	CEA*
Waterford	0.0003245	MTCO <sub>2</sub> e/kwh	IGES*_GRID_EF_v10.10
Malaysia	0.0006448	MTCO <sub>2</sub> e/kwh	IGES* 10.12 (Feb 2022)
Singapore	0.000408	MTCO <sub>2</sub> e/kwh	IGES* 10.12 (Feb 2022)
China	0.0007921	MTCO <sub>2</sub> e/kwh	IGES* 10.12 (Feb 2022)
Philippines	0.0008045	MTCO <sub>2</sub> e/kwh	IGES* 10.12 (Feb 2022)
USA	0.000232616	MTCO <sub>2</sub> e/kwh	IGES* 10.12 (Feb 2022)
	0.000370826	MTCO <sub>2</sub> e/kwh	IGES* 10.12 (Feb 2022)
	0.00049845	MTCO <sub>2</sub> e/kwh	IGES* 10.12 (Feb 2022)
Hungary	0.00021233	MTCO <sub>2</sub> e/kwh	DEFRA*
England	0.00021233	MTCO <sub>2</sub> e/kwh	DEFRA*
Germany	0.00021233	MTCO <sub>2</sub> e/kwh	DEFRA*
Canada	0.000239275	MTCO <sub>2</sub> e/kwh	EPA*
Mexico	0.000370694	MTCO <sub>2</sub> e/kwh	EPA*
Ireland	0.00021233	MTCO <sub>2</sub> e/kwh	DEFRA*
Scope 3			
USA	0.000295583	MTCO <sub>2</sub> e/kwh	EPA*
	0.000282264	MTCO <sub>2</sub> e/kwh	EPA*
	0.00037069	MTCO <sub>2</sub> e/kwh	EPA*
Germany	0.00021233	MTCO <sub>2</sub> e/kwh	DEFRA*
France	0.00054	MTCO <sub>2</sub> e/kwh	CRE*
Sweden	0.0001543	MTCO <sub>2</sub> e/kwh	IEA* Emission Factors 2021
Romania	0.00021233	MTCO <sub>2</sub> e/kwh	DEFRA*

## Business Travel

Business-Short	0.00011976	MTCO <sub>2</sub> e/Km	DEFRA*
Economy-Short	0.00007984	MTCO <sub>2</sub> e/Km	DEFRA*
Long Haul-Business	0.00022671	MTCO <sub>2</sub> e/Km	DEFRA*
Long Haul-Economy	0.00007818	MTCO <sub>2</sub> e/Km	DEFRA*
Domestic Flight	0.00013003	MTCO <sub>2</sub> e/Km	DEFRA*
Premium Economy Long	0.00012508	MTCO <sub>2</sub> e/Km	DEFRA*

**Employee Commute**

Bus Commute	0.00010227	MTCO <sub>2</sub> e/Km	DEFRA*
Shuttle Commute	0.00002684	MTCO <sub>2</sub> e/Km	DEFRA*
Cab Commute	0.00016843	MTCO <sub>2</sub> e/Km	DEFRA*
Auto	0.00015949	CNG-MTCO <sub>2</sub> e/km	DEFRA*
Public Bus	0.00010227	Diesel-MTCO <sub>2</sub> e/km	DEFRA*
Car	0.00016496	Diesel-MTCO <sub>2</sub> e/km	DEFRA*
Car	0.00018785	Petrol-MTCO <sub>2</sub> e/km	DEFRA*
Bike	0.00011355	Petrol-MTCO <sub>2</sub> e/km	DEFRA*
Bike	0.00010289	Electric-MTCO <sub>2</sub> e/km	DEFRA*
Taxi	0.00014876	Diesel-MTCO <sub>2</sub> e/km	DEFRA*
Train	0.00003549	NA	DEFRA*
Walk	0	MTCO <sub>2</sub> e/Km	DEFRA*
Carpool	0.0001063	Diesel-MTCO <sub>2</sub> e/km	DEFRA*

**Fuel & Energy activities (LPG)**

	2.93929	MTCO <sub>2</sub> e/tonne	DEFRA*
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**Waste:**

Food waste for composting	0.008951	MTCO <sub>2</sub> e/tonne	DEFRA*
Other Food waste	0.021294	MTCO <sub>2</sub> e/tonne	DEFRA*
E-waste	0.021294	MTCO <sub>2</sub> e/tonne	DEFRA*
Battery	0.021294	MTCO <sub>2</sub> e/tonne	DEFRA*
Garbage to landfill	0.58734	MTCO <sub>2</sub> e/tonne	DEFRA*
Plastic scrap	0.021294	MTCO <sub>2</sub> e/tonne	DEFRA*
Oil waste	0.021294	MTCO <sub>2</sub> e/tonne	DEFRA*
Filter waste	0.021294	MTCO <sub>2</sub> e/tonne	DEFRA*
Paper consumption	0.71854	MTCO <sub>2</sub> e/tonne	DEFRA*

**Purchased goods and services**

Inbound Domestic	0.0023765	MTCO <sub>2</sub> e/Km	DEFRA*
Inbound short	0.00121717	MTCO <sub>2</sub> e/Km	DEFRA*
Inbound long	0.00053867	MTCO <sub>2</sub> e/Km	DEFRA*
Inbound road	0.00081485	Class I (up to 1.305 tonnes)	DEFRA*-MTCO <sub>2</sub> e/Km
Inbound road	0.0006292	Class II (1.305 to 1.74 tonnes)	DEFRA*-MTCO <sub>2</sub> e/Km
Inbound road	0.00059232	Class III (1.74 to 3.5 tonnes)	DEFRA*-MTCO <sub>2</sub> e/Km
Inbound road	0.00060261	Average (up to 3.5 tonnes)	DEFRA*-MTCO <sub>2</sub> e/Km
Inbound road	0.00045065	Rigid (>3.5 - 7.5 tonnes)	DEFRA*-MTCO <sub>2</sub> e/Km

### Purchased goods and services

Inbound road	0.00024072	Rigid (>7.5 tonnes-17 tonnes)	DEFRA*-MTCO <sub>2e</sub> /Km
Inbound road	0.00020394	Rigid (>17 tonnes)	DEFRA*-MTCO <sub>2e</sub> /Km
Outbound road	0.00081485	Class I (up to 1.305 tonnes)	DEFRA*-MTCO <sub>2e</sub> /Km
Outbound road	0.0006292	Class II (1.305 to 1.74 tonnes)	DEFRA*-MTCO <sub>2e</sub> /Km
Outbound road	0.00059232	Class III (1.74 to 3.5 tonnes)	DEFRA*-MTCO <sub>2e</sub> /Km
Outbound road	0.00060261	Average (up to 3.5 tonnes)	DEFRA*-MTCO <sub>2e</sub> /Km
Outbound road	0.00045065	Rigid (>3.5 - 7.5 tonnes)	DEFRA*-MTCO <sub>2e</sub> /Km
Outbound road	0.00024072	Rigid (>7.5 tonnes-17 tonnes)	DEFRA*-MTCO <sub>2e</sub> /Km
Outbound road	0.00020394	Rigid (>17 tonnes)	DEFRA*-MTCO <sub>2e</sub> /Km

\* IGES (Institute for Global Environmental Strategies), CRE (Energy Regulatory Commission), EPA (Environmental Protection Agency), DEFRA (Department of Environment, Food & Rural Affairs), IEA (International Energy Agency), CEA (Central Electric Authority- CO<sub>2e</sub> Baseline Database)

# Reporting Frameworks Content Index

## GRI Standards

**GRI 101: Foundation 2016** [GRI 101 Does Not Include Any Disclosures]

**GRI General Disclosures 2016** [the List of General Disclosures Made, Based on Following the Comprehensive Option]

Disc No.	Disclosure Title	Page No.
102-1	Name of the Organisation	Main Report
102-2	Activities, Brands, Products, and Services	Main Report
102-3	Location of the Organisation's Headquarters	Main Report
102-4	Location of Operations	Main Report
102-5	Ownership and Legal Form	Main Report
102-6	Markets Served	Main Report
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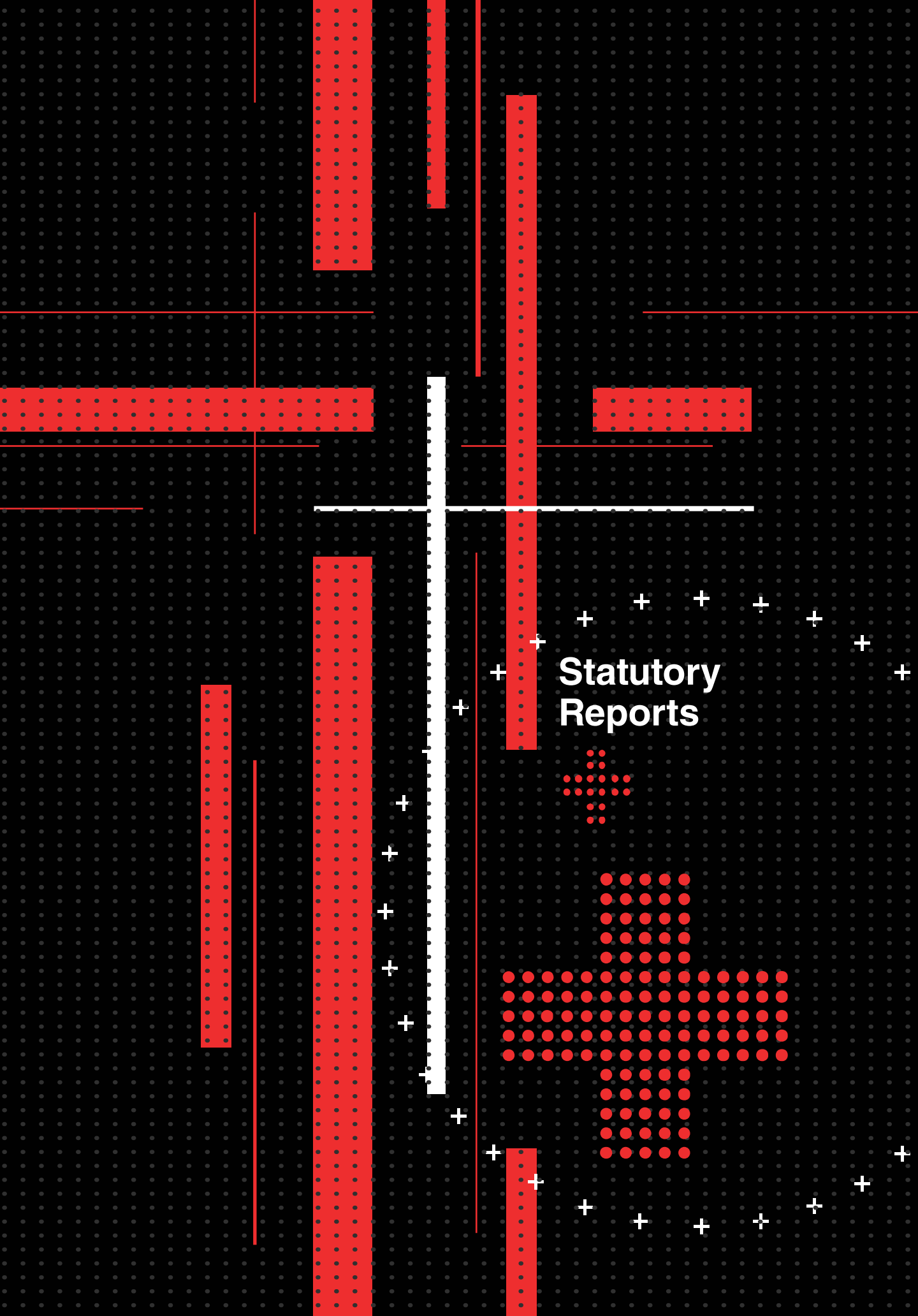
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**Statutory  
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# Corporate Information

## Board of Directors

Mr. Anand G. Mahindra, Chairman  
Mr. C. P. Gurnani, Managing Director & CEO  
Dr. Anish Shah  
Mr. Haigreave Khaitan  
Mr. M. Damodaran (up to March 31, 2022)  
Ms. M. Rajyalakshmi Rao  
Mr. Manoj Bhat (w.e.f. April 2, 2021)  
Dr. Mukti Khaire  
Ms. Penelope Fowler (w.e.f. May 13, 2022)  
Ms. Shikha Sharma  
Mr. T. N. Manoharan, Lead Independent Director

## Chief Financial Officer

Mr. Rohit Anand (w.e.f. June 1, 2022)  
Mr. Milind Kulkarni (Retired on May 31, 2022)

## Company Secretary & Compliance Officer

Mr. Anil Khatri

## Auditors

B S R & Co. LLP  
Chartered Accountants

## Bankers

Axis Bank Limited  
Bank of Baroda  
Citibank N. A.  
DBS Bank  
HDFC Bank Ltd.  
HSBC Bank Ltd.  
ICICI Bank Ltd.  
IDBI Bank  
IndusInd Bank  
Kotak Mahindra Bank Ltd.  
State Bank of India  
The Bank of Nova Scotia  
UCO Bank  
Yes Bank Limited

## Registered Office

Gateway Building,  
Apollo Bunder,  
Mumbai - 400 001.

## Corporate Office

Plot No. 1, Phase III,  
Rajiv Gandhi Infotech Park,  
Hinjewadi, Pune - 411 057.

## Committees of Directors

### Audit Committee

Mr. T. N. Manoharan, Chairman  
Mr. M. Damodaran (upto March 31, 2022)  
Mr. Haigreave Khaitan (w.e.f. May 14, 2022)  
Ms. M. Rajyalakshmi Rao  
Mr. Manoj Bhat (w.e.f. April 26, 2021)

### Nomination and Remuneration Committee

Mr. T. N. Manoharan, Chairman  
Dr. Anish Shah (w.e.f. April 26, 2021)  
Dr. Mukti Khaire  
Ms. Shikha Sharma

### Stakeholders Relationship Committee

Mr. Haigreave Khaitan, Chairman (w.e.f. May 14, 2022)  
Mr. M. Damodaran, Chairman (upto March 31, 2022)  
Mr. C. P. Gurnani  
Ms. M. Rajyalakshmi Rao  
Mr. Manoj Bhat (w.e.f. April 26, 2021)  
Dr. Mukti Khaire

### Corporate Social Responsibility Committee

Mr. C. P. Gurnani, Chairman  
Mr. Haigreave Khaitan  
Ms. M. Rajyalakshmi Rao  
Mr. Manoj Bhat (w.e.f. April 26, 2021)  
Dr. Mukti Khaire  
Ms. Penelope Fowler (w.e.f. May 14, 2022)

### Risk Management Committee

Ms. Shikha Sharma, Chairperson  
Dr. Anish Shah (up to May 13, 2022)  
Mr. M. Damodaran (up to March 31, 2022)  
Mr. Manoj Bhat (w.e.f. April 26, 2021)  
Dr. Mukti Khaire  
Ms. Penelope Fowler (w.e.f. May 14, 2022)  
Mr. T. N. Manoharan

### Investment Committee

Ms. Shikha Sharma, Chairperson  
Mr. C. P. Gurnani  
Dr. Anish Shah  
Mr. Haigreave Khaitan  
Mr. Manoj Bhat (w.e.f. April 26, 2021)  
Dr. Mukti Khaire

### Securities Allotment Committee

Mr. Haigreave Khaitan, Chairman  
Mr. C. P. Gurnani  
Mr. T. N. Manoharan

# DIRECTORS' REPORT

Your Directors present the Thirty Fifth Annual Report along with the audited accounts of your Company for the year ended March 31, 2022.

## FINANCIAL RESULTS (STANDALONE)

(₹ in Million)

For the year ended March 31	2022	2021
Income	362,489	305,627
Profit Before Interest, Depreciation and Tax	70,081	62,521
Interest	(636)	(632)
Depreciation	(6,599)	(6,623)
Profit Before Tax	62,846	55,266
Provision for Taxation	(13,715)	(12,875)
Profit After Tax	49,131	42,391
Other Comprehensive Income	1,081	2,453
Balance brought forward from previous year	200,874	184,021
Profit available for appropriation	249,753	226,432
Equity Dividends (Including tax on dividend)	(43,624) <sup>1</sup>	(19,335) <sup>2</sup>
Transfer to retained earnings on account of options lapsed	74	96
Transferred to Special Economic Zone re-investment reserve (net of utilisation)	-	(6,319)
Transferred from Special Economic Zone re-investment reserve on utilization	6,348	-
Balance carried forward	212,551	200,874

<sup>1</sup> Interim Dividend (Special Dividend) for the Financial Year ended March 31, 2022 and Final Dividend for the Financial Year ended March 31, 2021

<sup>2</sup> Interim Dividend (Special Dividend) for the Financial Year ended March 31, 2021 and Final Dividend for the Financial Year ended March 31, 2020

## DIVIDEND

The Board of Directors on October 25, 2021 approved a special dividend of ₹ 15/- per share (i.e. 300%) on par value of ₹ 5/- each which was paid by the Company to the shareholders whose names appeared in the Register of Members as on November 5, 2021, being the record date for the payment of dividend. Your Directors are pleased to recommend a final dividend of ₹ 30/- per share (including a special dividend of ₹ 15/- per share) on par value of ₹ 5/- (i.e. 600%), payable to those Shareholders whose names appear in the Register of Members as on the Book Closure Date. Thus, the total dividend for the F Y 2021-22 will be ₹ 45/- per share (i.e. 900%) similar to the dividend of ₹ 45/- per share (i.e. 900%) paid for the Financial Year 2020-21.

Your Company has formulated a Dividend Policy which is disclosed on the website of the Company and can be accessed at <https://insights.techmahindra.com/investors/tml-dividend-distribution-policy.pdf>

## SHARE CAPITAL

During the year under review, your Company allotted 3,573,412 equity shares on the exercise of stock options under various Employee Stock Option Schemes. Consequently, the issued, subscribed and paid-up equity share capital has increased from ₹ 4,841 million divided into 968,260,067 equity shares of ₹ 5/- each to ₹ 4,859 million divided into 971,833,479 equity shares of ₹ 5/- each.

## BUSINESS PERFORMANCE / FINANCIAL OVERVIEW

Tech Mahindra lives by the philosophy of creating a connected world built on connected experiences. It thrives on change powered by the intelligent symphony of technology and humans, designing both meaningful and sustainable experiences. Your Company is strongly positioned to succeed in this new normal and deliver what's NXT.NOW for its customers. The Company has a rare combination of connectivity and experience as its endowment which, along with



its big bets on Cloud and engineering, form the Company's NXT.NOW strategy.

The main components of the NXT.NOW Strategy are:

**Connectivity** – Modernizing networks has been our legacy for more than 25 years, serving the top global wireless communication service providers.

**Experience** – The Company provides award-winning and industry-leading capabilities in human-centric design.

**Cloud** – The Company continues to invest in rapidly scaling its partnerships and is uniquely positioned to deliver on the promise of Cloud, AI, and cyber security for its customers.

**Engineering** – The Company is home to leading products and software capabilities, enabled by a network of global excellence centers and top engineering talent.

During the Financial Year ended on March 31, 2022, the Company's revenues grew to ₹ 446,460 million on consolidated basis as against ₹ 378,551 million in the previous year – indicating a robust growth of 18%. The growth was broad based across geographies as both Americas and Europe contributed in line with overall revenue growth. The Company also saw healthy growth across business segments in CME and Enterprise verticals.

The EBITDA on consolidated basis for the Financial Year 2022 was ₹ 80,200 million, a growth of 17% over the previous year EBITDA of ₹ 68,470 million. The resultant EBITDA margins were in a similar range – 18% in FY 2022 as against 18.1% in FY 2021. The post-tax profit of the Company increased by 25.7% to ₹ 55,661 million in FY 2022 as against ₹ 44,280 million in FY 2021.

The Company saw robust demand for digital transformation services with focus on customer experience and cloud. The Company has seen new deal wins of over USD 3,000 million in the previous year indicating a healthy growth momentum across all business verticals. Your Company's investments in Enterprise SaaS and Hi-tech capabilities will help it cater to increasing modernization demands from businesses in Financial Year 2023 and beyond.

## ACQUISITIONS

Your company made the following acquisitions during the financial year 2021-22.

## DIGITALONUS

The Company on May 7, 2021, acquired 100% of the share capital of DigitalOnUs Inc. through its wholly owned subsidiary company Tech Mahindra (Americas) Inc. at a consideration of USD 120 million including earnouts and retention bonus. The company is headquartered in California, USA and is focused on Cloud Native Development and Hybrid Cloud Automation Services. This acquisition helped your Company in enhancing capability in Cloud Native Engineering and positioned the Company to develop cutting-edge digital solutions for its customers.

## EVENTUS SOLUTIONS GROUP

The Company on June 18, 2021, acquired 100% of the share capital of Eventus Solutions Group, LLC (Eventus) through its wholly owned subsidiary company Tech Mahindra (Americas) Inc. at a consideration of USD 44 million including earnouts. Eventus is headquartered in Denver, Colorado, USA and has strong consulting capability in customer experience (CX) and customer management and enabled your Company to build an industry leading consulting practice in BPS business.

## BERIS CONSULTING GMBH

The Company on October 1, 2021, acquired 100% of the share capital of Beris Consulting GmbH (Beris) through its subsidiary Company Tech Mahindra GmbH at a consideration of EUR 7 million including earnouts. Beris has 125 employees and helps your Company to unlock the transformational growth in the IT and application space for the automotive industry as a result of industry trends such as EV, Sharing & Mobility. It will also help your Company to expand its presence, hone local expertise and client relationships in the German market.

## INFOSTAR LLC

The Company acquired 100% of the share capital of Infostar LLC (Lodestone) through its wholly owned subsidiary company Tech Mahindra (Americas) Inc. on October 25, 2021 at a consideration of USD 105 million including earnouts. Lodestone is headquartered in California, USA and helps your company to bolster end to end digital product engineering capabilities across design, build and test by employing Lodestone's expertise in data strategy and providing end to end product quality assurance across hardware, software and data layers.

## WE MAKE WEBSITES

The Company acquired 100% of the share capital of We Make Websites, UK through its step-down

subsidiary company Born London Limited, UK on October 25, 2021 at a consideration of GBP 9.4 million. The company is headquartered in UK and its offerings include Custom Shopify App Development, focused Ecommerce Agency, Design & UX, re-platforming, SEO & Data Migration, Headless Commerce, CRO, Performance Enhancement, Payments & Checkout, Compliance, Accessibility and O2O strategy.

### **BRAINSCALE**

The Company on November 17, 2021, acquired 100% of the equity shares in Brainscale Inc. (Brainscale) through its wholly owned subsidiary company Tech Mahindra (Americas) Inc. at a consideration of USD 28.8 million including earnouts. Brainscale has expertise in Cloud consulting, Cloud enablement, Application Development and Data Analytics, which will bolster your company's consulting capabilities in the Cloud transformation space and will enable your Company to drive growth of Cloud related IT services.

### **ACTIVUS**

The Company on December 3, 2021, acquired 100% of the equity shares in Activus Connect LLC and Activus Connect PR LLC (together called as Activus) through its wholly owned subsidiary company Tech Mahindra (Americas) Inc. at a consideration of USD 62 million including earnouts. Activus is headquartered in Florida USA and has 1750 employees and is in the business of remote customer experience and customer care solution. This acquisition will help improve your company's capability in the work from home Customer Experience Management by employing unique delivery model and disruptive platform called Smart Virtual.

### **ALLYIS**

The Company on December 31, 2021, acquired 100% of the equity shares in Green Investments LLC (Allyis) through its wholly owned subsidiary company Tech Mahindra (Americas) Inc. at a consideration of USD 122.4 million including retention bonus and earnouts. Allyis is headquartered in Seattle, USA and has presence in US, Romania, Costa-Rica and India. The Indian subsidiary was acquired by Tech Mahindra Limited, at a consideration of USD 2.6 million. Allyis offers Technology consulting and managed services that help Organizations to reduce costs, improve performance which would help your Company's capabilities in digital experience solutions and engineering, cloud and automation, BI and Analytics and Technical Support services.

### **CTC**

The Company on January 17, 2022, acquired 100% of the equity shares in Com Tech Co IT Limited (CTC) through its wholly owned subsidiary company Tech Mahindra London Limited at a consideration of EUR 310 million including earnouts. CTC has 720 employees and is a specialized digital engineering and outsourced product development organization with development centers in Latvia and Belarus. It offers high-end-digital engineering services to some of the largest insurance and reinsurance organisations globally. Your Company also acquired 25% equity shares each in SWFT Technologies and Surance Ltd which are early stage InsurTech SaaS ventures with a proven technology.

### **GEOMATIC.AI**

The Company acquired 80% of the share capital of Geomatic.AI Pty Ltd, Australia through its wholly owned subsidiary company Tech Mahindra (Singapore) Pte. Ltd on February 15, 2022 at a consideration of A\$6 million. Geomatic.AI is headquartered in Australia and its offerings include digital platforms led non-linear growth in partnership with AusNet Services an Australian Energy & Utilities distributor and will build digital twins for linear assets leveraging Cloud, Drone and Mobility technologies in the Geospatial domain.

## **DETAILS OF SUBSIDIARIES / JOINT VENTURES / ASSOCIATE COMPANIES**

The performance and financial position of the subsidiaries, associate 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 the Company's subsidiaries/joint ventures or associate companies in Form AOC - 1 in "**Annexure I**" to this report.

Pursuant to Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014, the names of the companies which have been incorporated or ceased to be the subsidiaries, joint ventures or associate companies during the year are provided in "**Annexure II**" to this report. The Company is actively pursuing the initiative on the consolidation of its subsidiaries/branches to optimize the operational costs. During the year under review, your Company has closed/merged fourteen subsidiaries.

In terms of the provisions of Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, Tech Mahindra (Americas) Inc. is a wholly owned unlisted material subsidiary of the Company.

The policy for determining material subsidiaries formulated by the Board of Directors is disclosed on the website of the Company and can be accessed at <https://insights.techmahindra.com/investors/Policy-For-Determining-Material-Subsidiaries.pdf>

## UPDATE ON MERGER

The Board of Directors at its meeting held on January 31, 2021 approved the Scheme of Merger of Tech Mahindra Business Services Ltd and Born Commerce Private Ltd with the Company. Accordingly, the companies filed the petitions before the Hon'ble National Company Law Tribunal (NCLT), Mumbai and Chennai Benches respectively. The petitions are pending for final hearing as on the date of this Report.

## HUMAN RESOURCES

The employees of the Company are the most critical asset to your Company. The Company has taken several steps to protect, retain, and improve the competencies of these assets including:

### Hiring: War for Talent

Your Company responded to the 'Great Resignation' by adopting many innovative practices such as remote hiring, hybrid working, productivity to the engagement of remote workforce. With no location constraints, your Company could hire diverse talent including stay-at-home women, retired professionals, Persons with Disabilities (PwDs), gig workers, and more. Through the NXT.Town program, your Company started small centres in Tier-II and Tier-III cities across India to proactively look beyond set boundaries and focus on skill-based hiring in emerging technologies. Your Company is also committed to diversifying talent hiring at global delivery centres to improve local customer connect. Your Company has restructured its referral and campus recruitment programs to actively encourage hiring at the 'bottom of the pyramid'. The Digital RMG platform has helped your Company proactively hire based on forecasted demand through a custom-built applicant tracking system that allows collaborative hiring and improves the candidate experience.

### Learning: Build v/s Buy Talent

At your Company, learning plays a strategic role in the achievement of business goals by facilitating upskilling and creating a future-ready workforce, all the while fulfilling its associates' career aspirations. In order to enable end-to-end digital transformation for global customers, your Company is building skills and keeping its talent pool brimming with new-age technologies. By offering skill-based and accelerated career movement allowance through the Career Acceleration Policy, your Company is encouraging niche skilling, thus creating a win-win situation. Your Company has launched a Cloud Finishing School for creating project-ready talent in Cloud technologies to fulfil business needs. After the success of the EMBARK capability building program for Program Managers, your Company has started an Architect COE for solution and technical architects who work on digital transformation. In an effort to build a roster of young and diverse leadership, the Company has launched focused young leader and women leader programs, with an emphasis on deploying them into new roles once their learning journey is complete. The Company has also partnered with Harvard to offer bite-sized learning content via the Harvard Manager Mentor (HMM) SPARK platform. Your Company continues to leverage its #NAD Learn platform to create full-stack professionals through initiatives like fresher-skilling, project-skilling, future-skilling and bench-skilling (Competence to Deployment) to create future-ready talent, in line with its NXT.NOW philosophy.

### Leadership: Extreme Ownership

The natural culture of empowerment at your Company was supercharged during the pandemic as associates took ownership for their deliverables and leaders at all levels were an integral part of the decision-making process. The Leadership team of the Company aims to imbibe the following atomic habits – alternate thinking, bias for action, closure over follow-up, data over emotions and extreme ownership. This was reinforced through the adoption of a real-time Performance Management Dashboard for the 300+ talent-to-value business leaders whose continuous executive coaching and performance management was instrumental in your Company meeting its financial and strategic goals. Apart from coaching, the Leaders at the Company have also had the opportunity to experience new forms of learning with technology-enabled pedagogies like habit builders, qubit

thinking, cinema-based learning, gamification etc. The Company also launched the Leadership Retreat, an eight-day-long learn-as-you-work residential program to replenish the physical, emotional, cognitive, and social energies of mid and senior level leaders.

### **Performance: Outcome-Driven**

Your Company launched the Annual Performance Feedback cycle in December 2021 and has completed its performance appraisal. Aspiring to build a culture where performance is enabled through feedback, managers have been trained to engage in better performance review dialogues with their direct reports and work on an outcome-based evaluation, rather than process or effort measurement. Your Company is creating a high-performance culture through hyper-personalized incentive plans. Your Company has a suite of incentive plans that are designed to create a strong alignment between individual wealth creation and organizational performance. In addition to broad-based incentive plans, your Company has also customized quarterly sprint incentives which create avenues for instant gratification for associates across the front, middle, back offices as well as enabling functions, thereby inculcating a spirit of collaboration. With platforms like Talex, #NAD Learn and a revamped job rotations policy, your Company continued to improve internal mobility.

### **Wellness: Holistic Wellbeing**

The 'Wellness Before Business' mantra followed by your Company has ensured the collective well-being and safety of its entire ecosystem of stakeholders, including associates, customers, and partners. The Wealth of Wellness (WoW) program ensures preventive, personalized, and proactive holistic wellness across all 8 dimensions of wellness including physical, mental, emotional, and financial parameters. The Company has launched new policies like the Bereavement Support for Dependents (COVID Support) Policy, Sabbatical Leave Policy, and more in response to the unique challenges posed by the pandemic. Your Company also provided financial security and crucial support through the Associate Welfare Trust for 190+ associates, disbursing ₹ 2.8 crores. To highlight the importance of physical well-being, your Company launched the Wellness 101 Challenge as well as the Run Anywhere virtual marathon to engage its associates who predominantly worked from home and encouraged them to reclaim their fitness. Mental well-being was prioritized through initiatives like the Mind Plan, People Care Manager Program and the Emotional Wellness Self-Assessment.

### **Pandemic: #ResolveToRise**

#ResolveToRise was an organization-wide campaign by the Company, rallying associates to embrace the Rise credo and encouraging them to stay strong by sharing inspiring stories and initiatives from the ground, including COVID warriors assisting those in need, Company-led innovations using #TechForGood to help the most vulnerable, community-wide volunteering efforts, and more. During the pandemic, the Company also setup a COVID-19 Support Fund, providing much-needed relief to affected families, setting up oxygen plants and donating ambulances to charitable hospitals. Your Company also setup COVID care centres at five major locations to help both associates and the larger community. Through the SOS Seva, your Company helped patients access critical care including hospital beds, oxygen cylinders, oxygen concentrators, medicines, and plasma. Through a series of vaccination drives, your Company has encouraged protection and prevention, vaccinating associates, their family members, and other third-party staff.

### **Communication: Building Purpose**

Through effective internal communications, your Company ensures that the connected purpose of the organisation is communicated to all associates, thus reiterating the core philosophy of the brand: creating a connected world with connected experiences. With hybrid working being the norm, your Company has made virtual connectedness a way of life through various digital initiatives that were purpose-led, people-centric, and performance-driven. Multiple mediums were used to reach out to associates including social media, e-chats, emailers, campaigns, screensavers and more. With a 360-degree-communication approach, your Company has built a culture that is based on celebration, positive change, and the credo of Rise which has resulted in a unifying pride for the Company – their #LoveToBeTechM.

### **Diversity: Being Yourself**

Your Company considers 'diversity of people', ensuring 'equitable opportunities' and 'inclusion at the workplace' as an instrument of growth. This has reflected in the definition of the new vision statement of your Company. The earlier Vision 2021 was about fostering innovation and that comes from 'diversity of thought'. The new Vision 2024 is about creating a purpose-led company. Your Company is committed to pursuing 'Purpose beyond Profits' by embedding Environmental, Social and Governance

(ESG) principles into its core strategy, thus creating a long-term positive impact on the planet and society while providing greater value for all its stakeholders. Improvements in Diversity, Equity and Inclusion practices is critical to improve the Social aspect of ESG, and hence your Company has defined a roadmap for improvements across the dimensions of Gender, Generation, People with Disabilities, the LGBTQ+ community as well as cultures and nationalities. This also links back to the stated objective of your Company to be human-centered by encouraging associates to bring their most authentic selves to work.

### **Recognition: People at the Core**

While timely recognition is key to a happy workforce, your Company also prioritizes creating a culture of appreciation. Your Company's robust digital platform ensures both recognition and appreciation with monetary and non-monetary rewards badges linked to redemption points. Your Company also encourages its associates to donate their reward points towards social causes and has an industry-leading rewards penetration of approximately 40%. To celebrate achievements in the virtual world, your Company introduced the quarterly Spotlight awards and other timely sales- focused awards to reward growth, collaboration, and high-impact initiatives. Your Company also included associates' family members to virtually felicitate both Long Service Awardees and ACERs (consistent performers for two years) for their outstanding contributions and commitment.

### **HR Digitization: Automation at every Step**

Your Company has continued to invest in its flagship product, 'Dove,' for new joiners, enabling new capabilities for document submissions and personal information updates. Your Company has continued to enhance self-service capabilities for existing associates in diverse areas such as letter generation, work permits, automated approvals, and proactive notifications for key events. Your Company has adopted Office 365 as well as the Enate and UNO platforms to automate routine business transactions through BOTs. Your Company has also taken steps to improve the post-joining and pre-exit processes to improve communication as a step towards empowering associates with the right information. Your Company has also leveraged Artificial Intelligence/ Machine learning to build internal applications to provide associates with customer-like experiences.

### **Engagement: TechM CARES Survey**

Your Company has taken active steps to build remote engagement by creating virtual 'water-cooler' moments and updating policies in line with the 'new normal'. To ensure that associates were continuously engaged through the right channels and received the right information at the right time, your Company followed the 4C model – Connect, Collaborate, Career, and Celebrate. Associates have expressed their confidence and delight through the TechM CARES survey where your Company has secured an overall rating of 4.58/5 – the highest score in its history. This engagement score represents a 54 basis points increase over the last survey score of 4.04/5 and reinforces your Company's commitment to create human-centered experiences for its associates.

### **QUALITY**

The Company continues its focus on quality and strives to exceed customer expectations at all times. During the year, it continued to strengthen the implementation of Quality systems and upgraded various processes to comply with CMMI V 2.0 for both Dev and Services. The Organization is recently assessed at Level 5 maturity. Similarly it underwent various upgrade and re-certification audits for multiple standards during the year in order to meet client demands and enhance value delivery. The Company has Successfully re-certified, ISO 9001:2015 (Quality Management System), ISO 20000-1:2018 (Information Technology Service Management System), ISO 27001:2013 (Information Security Management System), ISO 27701:2019 (Privacy Information Management System), TL9000 R 6.2/ R5.7 (Quality Management Systems for Tele Communications industry), ISO 13485:2016 (Quality Management Systems for medical devices – scope of certification limited to medical devices business within Tech Mahindra), AS9100 Rev D (Standard for Aerospace domain – scope of certification limited to the aerospace business within Tech Mahindra), ISO 17025:2017 – Laboratory Quality Management Systems for device testing labs.

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 (Environmental Management System) and ISO 45001: 2018 (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. The Company has processes that helped resume services to customer's acceptable service levels. Automated Service Desk with SLAs for enabling business and Vulnerability Assessment and Penetration Testing Lab for secured corporate network operations are highlights that showcase the information security posture of the Organization.

During the second year of the pandemic, the entire quality management system was put to test with majority of the associates working from home. Complying with the Company's security requirements, they were able to deliver services as per contractual commitments, leading to great customer satisfaction.

Tech Mahindra (IT Division) has been assessed for the implementation of high maturity business excellence practices at Mahindra Group (Services Sector). It has been assessed at TMW Maturity Stage 7 (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 continued to strengthen the process for transforming Quality Assurance processes & delivery methods to adopt and strengthen Delivery excellence, Risk governance, and further enhance automation to enable quality delivery to the customer. Quality index which is a measure of quality of products and services delivery is institutionalized.

All these actions are being taken to ensure that the Company deliver as stated in its 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. The Independent Directors have also given declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to

their name appearing in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

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

Further the term of Mr. C. P. Gurnani as Managing Director & CEO expires on August 9, 2022. The Board of Directors based on the recommendation of Nomination and Remuneration Committee considering the performance of the Managing Director & CEO over the last 10 years & his contribution to the growth of the Company approved and recommends the re-appointment of Mr. C. P. Gurnani as Managing Director & CEO for another term from August 10, 2022 upto December 19, 2023, which is his date of retirement from the Company, subject to the approval of shareholders at the ensuing Annual General Meeting.

Your Directors co-opted Ms. Penelope Fowler (DIN: 09591815) as an Additional Director with effect from May 13, 2022. The term of Ms. Fowler will end at the ensuing Annual General Meeting. As Ms. Penelope Fowler meets the criteria of an Independent Director, the Board recommends her appointment as an Independent Director for a period of 5 years for the approval of shareholders at the ensuing Annual General Meeting.

Mr. M. Damodaran (DIN: 00125299) has retired as an Independent Director of the Company with effect from March 31, 2022. Your Board places on record its sincere appreciation for the valuable contribution and timely guidance from Mr. M. Damodaran to the Company during his tenure.

In terms of Regulation 24(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, Mr. T. N. Manoharan, Lead Independent Director of the Company has been appointed as Director on the Board of Tech Mahindra (Americas) Inc., a wholly owned unlisted material subsidiary of the Company with effect from May 21, 2019.

In the opinion of the Board of Directors the Independent Directors have relevant proficiency, expertise and experience.

## FAMILIARISATION PROGRAMME

These programmes 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 its website and can be accessed at <https://insights.techmahindra.com/investors/tml-familiarisation-progarmmes-for-IDs.pdf>

The Board members are also regularly updated on changes in statutory provisions like changes in Corporate Laws, SEBI Regulations, Taxation Laws and People related laws as applicable at the quarterly Board meetings. The Board members are also updated on the Risk universe applicable to the Company's business. The MD & CEO of the Company had quarterly sessions with Board members sharing updates about the Company's business strategy, operations and the key trends in the IT industry that are relevant to the Company. These updates help the Board members in keeping abreast of 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 evaluating the performance of the Board of Directors, the Chairman, Committees, and Individual Directors. The evaluation process was carried out through a web-based portal. The summary of the evaluation reports was presented to the respective Committees and the Board. The Directors had given a positive feedback on the overall functioning of the Committees and the Board. The suggestions made by the Directors in the evaluation process have been suitably incorporated in the processes.

## NUMBER OF MEETINGS OF THE BOARD

The Board met four times during the Financial Year 2021-22. 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 and SEBI Listing Regulations.

## POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Governance policies laid down by the Board of Directors of your Company include:

- i. Policy on the 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 is provided in "**Annexure III**".

The policies are available on the website of the Company and can be accessed at <https://insights.techmahindra.com/investors/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 appointments, remuneration and evaluation of its Board of Directors, Key Managerial Personnel & Senior Management. In line with these Governance policies, the Company has established a formal Succession Planning Program for key managerial persons across the organization. The Board evaluates all such plans at a regular interval and institutes a formal program for filling any such critical position. The Board evaluates both internal and external candidates for such positions alongwith the recommendations of the Company. The Company also has a leadership development program where it identifies high potential managers, and trains them to take up the positions of higher responsibility. The Company has identified the second line of leadership, which provides stability to the business in any contingencies.

## TRAINING

The Company has laid down a policy on the training of Independent Directors as part of its governance policies. The Senior Leadership of the Company periodically updates the Directors on regulatory changes, business strategy and the Company has laid down a policy on the training of Independent Directors as part of its governance policies. The Senior Leadership of the Company periodically updates the Directors on regulatory changes, business strategy and operations.

## KEY MANAGERIAL PERSONNEL (KMP)

Pursuant to provisions of Section 203 of the Companies Act, 2013, Mr. C. P. Gurnani, Managing Director & Chief Executive Officer, Mr. Manoj Bhat, Chief Financial Officer (up to April 1, 2021), Mr. Milind Kulkarni,

Chief Financial Officer (w.e.f. April 2, 2021) and Mr. Anil Khatri, Company Secretary & Compliance Officer were the Key Managerial Personnel of the Company during the year under review. Mr. Milind Kulkarni will retire as Chief Financial Officer of the Company w.e.f. May 31, 2022 and Mr. Rohit Anand was appointed as Chief Financial Officer of the Company w.e.f. June 1, 2022.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. they have, in the selection of the accounting policies, consulted the Statutory Auditors and these have been applied consistently and, reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 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 WITH RESPECT TO 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 and efficient conduct of the business, including adherence to the Company's policies, the safe guarding of assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records and timely preparation of reliable financial information.

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

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 the future.

Further no application against the Company has been filed or is pending under the Insolvency and Bankruptcy Code, 2016, nor the Company has done any one time settlement with any Bank or Financial institutions.

### **STATUTORY AUDITORS**

The members, in the 30<sup>th</sup> Annual General Meeting (AGM) held on August 1, 2017, appointed M/s. B S R & Co. LLP, Chartered Accountants, [ICAI Firm's Registration No. 101248W/W- 100022] as the Statutory Auditors of the Company, to hold office for a term of five years from the conclusion of the 30<sup>th</sup> 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.

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

In accordance with provision of Section 139 of the Companies Act, 2013 read with Rules framed thereunder, the Board of Directors of the Company on the recommendation of the Audit Committee, proposes appointment of M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm's Registration No. 101248W/W - 100022) as Statutory Auditors of the Company to hold office from the conclusion of ensuing 35<sup>th</sup> AGM for a term of five consecutive years till the conclusion of 40<sup>th</sup> AGM. The appointment of M/s. B S R & Co. LLP as the statutory auditors of the Company is placed before the members for approval at the ensuing AGM.

As required under provision of Section 139(1) of the Companies Act, 2013 the Company has received a written consent from M/s. B S R & Co. LLP for their



appointment and a certificate to the effect that their appointment, if made, would be in accordance with the Companies Act, 2013 and the Rules framed thereunder and that they satisfy the criteria provided in Section 141 of the Companies Act, 2013 read with Rule 4(1) of the Companies (Audit and Auditors) Rules, 2014 and that they are not disqualified for appointment as statutory auditors of the Company.

There are no qualifications, reservations, adverse remarks or disclaimer made in the audit report for the Financial Year 2021-22.

### 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 Mr. Makarand Lele & Co., Practicing Company Secretary, Pune to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is available at “**Annexure IV**” to this report. There are no qualifications, reservations, adverse remarks or disclaimer made in the Secretarial Audit Report.

### COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards.

### ANNUAL RETURN

Pursuant to the provisions of Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013, the Annual Return in Form MGT-7 is available on the website of the Company and can be accessed at <https://insights.techmahindra.com/investors/mgt7-annual-return-2021-22.pdf>

### 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 V**”.

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 is provided in Corporate Governance 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 open for inspection at the Registered Office of the Company.

### POLICY ON PREVENTION OF SEXUAL HARASSMENT

Your Company laid down the Prevention of Sexual Harassment (POSH) policy which is available on its website. 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.

The status of complaints received under POSH and redressed by the POSH Committee of the Company, during the Financial Year under review, are given below:

- a) Number of complaints received - 45
- b) Number of complaints redressed - 43
- c) Number of complaints pending - 2

There are focused campaigns on the POSH policy within the Company and awareness drives that take place with the help of its BPS teams. Furthermore, the employees are required to undertake a mandatory annual certification on POSH to sensitize themselves and strengthen their awareness.

### 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 Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the details of the ESOPs are uploaded on the website of the Company and can be accessed at <https://insights.techmahindra.com/investors/Details-of-ESOPs-FY-2021-22.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.

### **COST RECORDS**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities of the Company.

### **RISK MANAGEMENT**

The Risk Management Committee of the Board of Directors guides the operating management to identify risks, analyze their probability and impact and prepare mitigation plans. It periodically reviews the Risk Management Framework & Enterprise Risk Register which is presented by the Chief Risk Officer. The Company identifies all potential risks viz. economical, business, currency, operational, climate, governance, financial, cyber, business continuity etc. and prepares a mitigation plan for each of the risks. The elements of risk as identified by the Company with the impact and mitigation strategy are set out in the Management Discussion and Analysis Report (MDA).

### **ESTABLISHMENT OF VIGIL MECHANISM**

The 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**

The 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 under review 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 the materiality of Related Party Transactions and dealing with Related Party Transactions which has been uploaded on the website of the Company and can be accessed at <https://insights.techmahindra.com/investors/Related-Party-Transactions-Policy.pdf>

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

Pursuant to Regulation 23(9) of the Listing Regulations, your Company has filed half yearly report on Related Party Transactions with the stock exchanges.

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

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

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR vision of the 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 (CSR) Committee of the Board. The CSR policy, covering the Objectives, Focus Areas, Governance Structure Monitoring and Reporting Framework among others is approved by the Board of Directors. In accordance with the amendments made in Section 135 in January 2021, the CSR Policy has been duly revised and is available on the website of the Company and can be accessed at <https://files.techmahindra.com/static/img/pdf/csr-policy-techm-v3-march2021.pdf>

The Company has spent more than 2% of the average net profits of the Company during the three immediately preceding Financial Years on CSR.

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

## TECH MAHINDRA FOUNDATION (TMF)

### EDUCATION

The key initiatives taken by TMF in the arena 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 2021-22 worked with 18 government primary schools to transform them into model schools of excellence. A total of 4,928 students were positively impacted under this programme, of which 2,646 were girls.

During the year, the Foundation expanded its work for children with special needs through its ARISE+ programme. This programme is a variant of ARISE in which children with special needs are provided chronic therapy as well as special education to help them lead more fulfilling lives. Through 28 projects, the programme enabled 3,792 children with special needs to become better learners with greater independence in managing their lives. The Foundation is also working

with some of the most committed NGOs in the disability sector to positively impact even more children.

### SHIKSHAANTAR

Shikshaantar, envisioned as a programme for enhancing capacity of government school teachers, has emerged as an important programme in the education portfolio of the Foundation. TMF works with the Municipal Corporations in East Delhi and North Delhi by running their In-Service Teacher Education Institutes and during the year under review, as many as 9,573 teachers were trained as part of this initiative. This included specially designed modules for Digital Literacy, Child Safety, Cyber Security and Mental Health that were delivered to the teachers through online sessions. Physical training sessions with teachers resumed in the last few months of the year.

### MOBILE SCIENCE LAB

In order to increase the footprint of its work in Education and reach the unreached, TMF had launched a unique initiative in 2019-20. The Mobile Science Lab (MSL). For this, a Mahindra bus has been remodeled to become a science lab on wheels and has been travelling from school to school in East Delhi to provide STEM learning for children in grades 3 and 4 in these schools. The MSL program resumed its operations in 2021-22 after a break of over a year, and during the year, as many as 4,590 students and 99 teachers were benefitted.

### EMPLOYABILITY

Skills-for-Market Training (SMART) is the Foundation’s flagship programme in employability. It is built on the vision of an educated, enabled and empowered India, and the belief that educated and skilled youth are the country’s true strength. The programme started with 3 Centres in 2012 and is currently running over 85 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 2021-22, your Company trained 16,715 young women and men under its SMART program, of which, 1,529 were persons with disabilities. More than 70% of the graduates are placed in jobs across multiple industries upon successful completion of the training. The average salaries being earned by the graduates of the SMART program have been steadily rising and crossed the ₹ 12,000 per month mark for the first time.

The Foundation's commitment to setting new benchmarks in skill development in India has been underscored by the setting up of Tech Mahindra SMART Academies, which provide the highest quality of skill training to youngsters in Healthcare and Digital Technologies. During FY 2021-22, 1,677 students were trained at the eight Academies that are now functional – 4 in Healthcare, 3 in Digital Technologies, and 1 in Logistics.

### TMF'S WORK IN COVID RELIEF

As FY 2021-22 began, the country was swept by a severe second wave of COVID-19, devastating large sections of the population. Continuing the COVID relief operations of the previous year, Tech Mahindra Foundation reached out to some of the most marginalized and vulnerable communities – distributing ration kits, cooked meals, medical equipment, masks and PPE kits. More significantly, the Foundation managed to donate 20 fully equipped ambulances and install 10 oxygen plants at various charitable hospitals. In all, the COVID relief efforts of the Foundation have impacted over 2.3 million lives in 17 States of India through a wide range of initiatives.

### MAHINDRA EDUCATIONAL INSTITUTIONS (MEI)

MEI – a not-for-profit, 100% subsidiary of the Company has set up Mahindra Ecole Centrale in August 2014 – through a collaborative venture between Mahindra Educational Institutions and Ecole Centrale of Paris, France (now known as Centrale Supélec) and the JNTU Hyderabad – to offer undergraduate engineering programs. Through this strong Indo-French Collaboration with Centrale Supélec and Industry connect with Tech Mahindra, MEC has emerged as a disruptive player in the field of Technical Education.

MEI has sponsored the setting up of Mahindra University to introduce diverse streams of education in addition to Engineering.

### MAHINDRA UNIVERSITY (MU)

Mahindra University ("MU") (sponsored by Mahindra Educational Institutions, ("MEI") – a not-for-profit, 100% subsidiary of Tech Mahindra), was notified on May 20, 2020 by the Government of Telangana vide The Telangana State Private Universities (Establishment and Regulation) Act, 2018. for "educating future citizens for and of a better world".

In 2021-22, Mahindra University launched 3 new schools besides the existing Ecole Centrale School

of Engineering— School of Management, School of Law and Indira Mahindra School of Education. Each of these Schools will run UG, PG and Ph.D. programs. Further, the University has subsequently planned to launch School of Media & Liberal Arts and School of Design in the next 2 years.

Cornell University's SC Johnson College of Business, an ivy league institution is the "Academic Partner" for School of Management. Mahindra University's School of Management (MU - SoM) will benefit significantly from Cornell University's expertise in curriculum development, faculty exchange programs including some specialty courses delivery by the Cornell faculty to Mahindra University students, as well as student immersion at Cornell.

The School of Law, Mahindra University, commenced operations in September 2021 in Hyderabad and was founded on the philosophy of securing justice, equality, and service to all sections of society. With the needs of modern society evolving rapidly, there is a renewed focus on the importance of the discipline of law. The School of Law will aim to make a difference to the legal profession and practice by providing a diverse, flexible curriculum and pedagogy, touching on several aspects of domestic and international law, while appraising the students of the latest trends in academia and practice.

Indira Mahindra School of Education (IMSE) commenced its academic activities in 2021, with the PhD program. IMSE's vision is to be a focused training ground for the next generation of teachers and school leaders through study of education where both researchers and practitioners are developed for working in and on educational issues.

In the academic year 2021, a total of 817 students were admitted to the University – of which 757 students were in various UG programs, including School of Management and School of Law, 24 students in the PG programs of School of Engineering and 36 students in the Ph.D programs across all the schools.

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

### SUSTAINABILITY

Climate change, escalation of wars and the pandemic have forced the world to look at Sustainability as the savior of our existence. The impact of the present crises can be handled better if a Sustainable

business strategy is adopted by organizations globally. Sustainability must become an integral part of business strategy and management to ensure business continuity and profitable growth.

Being forerunners in the sustainability space, Tech Mahindra's long-term growth strategy has always had ESG principles embedded in its core to help mitigate risks and drive profitable growth. Adopting proactive strategies that are resilient in nature has been the key to our continued success. Sustainable transformation with a focus on low carbon future has helped us to quickly adapt to disruptive changes and leverage these capabilities towards business continuity and management. Tech Mahindra's sustainability commitments across environmental, social and governance pillars span across all our business verticals and even extends to our value chain. Being an organization with purpose, we have delivered on our promise to run better, change faster and grow greater while also creating meaningful human experiences for all.

Tech Mahindra is sourcing renewable energy, using energy-efficient equipment, and optimizing operations to achieve ecological balance while investing in and pioneering new solutions for sustainable development. Tech Mahindra's emphasis on ESG is seen in our commitment of achieving Carbon Neutrality by 2030 and being Net zero well-before 2040. We are making optimum use of resources, moving towards low-emission technologies, and taking 5-year targets for ensuring diversity, equality, and innovation, while also updating policies and procedures to maintain a robust and compliant governance.

Tech Mahindra is aligned towards the UN SDGs (Sustainable Development Goals) and its sustainability focus areas are as below:

- **Going Carbon Neutral:** Increasing use of renewable energy through onsite installations and open access; improving energy efficiency through installation of LEDs, sensors; boosting green investments by implementing Carbon Price; optimizing business travel by enabling virtual meetings; encouraging use of public transport and carpooling to reduce commute emissions; planting trees to offset carbon footprints; moving towards a low carbon economy to ensure environmental protection.
- **Being Net Zero:** Committed to be Net zero well before 2040 through adoption of renewable energy, increasing the use of energy-efficient equipment & tools across operations, creating eco-design of services, optimizing the use of resources across operations and preserving the biodiversity of areas in which we operate.
- **Saying No to plastic:** Maintaining plastic-free campuses and encouraging associates and stakeholders to use eco-friendly & biodegradable materials. Spreading awareness and initiating campaigns on preventing single-use plastic.
- **Reduce, Reuse, Recycle, Recover:** Implement process of Reduce, Reuse, Recycle and Recover across the value chain to limit waste and enable a circular economy.
- **Sustainable supply chain:** Ensure our suppliers follow the highest standards of sustainable and ethical best practices; optimise logistics and transportation to reduce emissions.
- **Work-life balance:** Provide an assured career development path and a feasible and flexi work-life balance to our associates along with a range of associate-friendly policies and processes to reduce attrition.
- **Fostering Diversity:** Offering improved opportunities and increasing the number of women, members of the LGBQ+ community, and PwDs to promote a diverse culture in the organization.
- **Employee engagement and recognition:** Working diligently towards Employee engagement and increasing the number of employees recognized every year.
- **Innovation:** Becoming future-ready by proactively encouraging Innovative thinking across the organization, adopting technology disruption, and going digital to reduce emissions. Incorporating technologies such as IoT, Blockchain, AI and Machine Learning to develop a portfolio of sustainable solutions that help reduce emissions and other negative impacts of climate change.
- **Green solutions:** Investing in Smart grid, Microgrid-As-A-Service, Community Action

Platform for Energy, Integrated Electric Vehicle Charging systems (IEVCS), Smart data hubs and Smart Cities for our Customers to reduce their emissions.

- **Individual Social Responsibility:** encouraging associates to make sustainability a part of their day-to-day lives.
- **Transparency:** Reporting our organizational policies & practices, along with financial, environmental and social data in the Integrated Annual Report.

The recognitions received by Tech Mahindra are a validation of the performance towards the company's commitments, the details of the awards & recognitions are included in Corporate Overview, kindly refer page no. 25 of this Annual Report.

The Integrated Annual Report is based on various global standards and frameworks such as TCFD (Taskforce on Climate Related Financial Disclosures), CDSB (Climate Disclosure Standards Board), SASB (Sustainability Accounting Standard Board) and GRI standards and assured by third party according to ISAE (International Standard on Assurance Engagement) 3000 standards.

Tech Mahindra discloses climate-related risks and opportunities in line with the recommendations of TCFD which focusses on the financial impact of climate-related changes on our operations.

The TechM Board owns all risks and opportunities. The MD & CEO of the Company chairs the CSR Committee of the Board and has the ultimate responsibility for Sustainability. He is ably supported by the Senior Management members of the Sustainability Council and the Chief Sustainability Officer who manage all aspects of climate change.

The pandemic has taught the Company some concrete lessons and new ways of management in order to thrive in the new post-pandemic world. Tech Mahindra has made good progress on its commitments to provide for a better and more sustainable future by embedding sustainability into its business strategy and ensuring economic recovery and business profitability. The Company strategy includes futureproofing our growth against impending

changes in policies and regulations and increasing our compliance readiness. Your Company are agile and adaptive to dynamic changes in internal and external intricacies with strategies in place to manage all business and ESG risks in an effective way. With a robust business continuity management framework and incident response team, the Company have ensured that we are resilient to any ESG risks.

The targets and the metrics used for managing climate-related & other risks and the progress against these targets are disclosed in the externally assured Integrated reports available on the website of the Company and can be accessed at <https://www.techmahindra.com/en-in/sustainability/>.

## 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. Few of the Awards / recognitions received by the Company during the year 2021-22 include:

- Tech Mahindra recognized among the Economic Times Iconic Brands 2021.
- Tech Mahindra was declared winner of NASSCOM Engineering & Innovation Excellence Awards 2021 for Service Delivery Excellence & Next-Gen Products for our projects on Vehicle Top Hats & Distributed Ledger DnD.
- Tech Mahindra listed among 2021 Best Workplaces in Asia by Great Place to Work®.
- Tech Mahindra received HRH, The Prince of Wales' Terra Carta Seal in Recognition of the Company's Commitment to Creating a Sustainable Future.
- Tech Mahindra won 3 Golds at the prestigious 2021 Stevie Awards for Great Employers.
- Tech Mahindra Recognized as the Fastest Growing Organization in 'Brand Strength' by Brand Finance.
- Tech Mahindra emerges as the only Indian company in the Forbes' Blockchain 50.

- Mr. C. P. Gurnani has been recognized by The Economic Times among 'Most Inspiring Business Leaders of Asia' at The Economic Times 6<sup>th</sup> Edition Asia's Promising Business Leaders.
- Tech Mahindra Included in Bloomberg Gender-Equality Index for Third Consecutive Year.
- Tech Mahindra was recognized for its path-breaking sustainable efforts and was ranked 2<sup>nd</sup> amongst the Top 35 companies in Business world India's Most Sustainable Companies 2022.

These awards are a reflection of the Company's continued efforts in the fields of business, sustainability, human resource management and its sustained progress towards creating a better society for all.

## **ACKNOWLEDGEMENTS**

Your Directors place on record their appreciation for the contributions made by employees towards the success of your Company more particularly ensuring business as usual in spite of the impact of COVID-19. 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 13, 2022

**ANNEXURE I**  
**(F.Y. 2021-2022)**

**Tech Mahindra Limited**  
**For the year ended March 31, 2022**

**(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**

**AOC-1**

**PART "A": SUBSIDIARIES**

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	Average 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	75.79	74.48	22,767.45	18,550.50	79,979.94	38,661.98	60,312.31	81,928.44	5,590.53	1,341.03	4,249.50	-	100%
2	Tech Talenta Inc., (refer note v)	USA	Not Applicable	-	USD	75.79	74.48	-	-	-	-	-	-	-	-	-	-	100%
3	LCC Wireless Communications Espana, SA	Spain	January 02, 2015	-	EUR	84.03	86.56	5.06	194.16	328.46	129.24	-	776.48	100.90	18.24	82.66	-	100%
4	LCC Central America de Mexico, SA de CV	Mexico	January 02, 2015	December	MXN	3.81	3.67	206.11	-	953.76	747.66	-	1,256.16	57.54	18.67	38.88	-	100%
5	LCC Muscat LLC	Oman	January 02, 2015	-	OMR	197.17	197.17	19.72	123.74	230.26	86.80	-	483.92	32.39	-	32.39	-	100%
6	LCC Engineering & Deployment Services Misr, Ltd (refer note vii)	Egypt	Not Applicable	-	EGP	4.16	4.74	-	-	-	-	-	-	-	-	-	-	100%
7	LCC United Kingdom Limited	UK	January 02, 2015	-	GBP	99.34	101.77	0.01	934.76	1,626.79	692.03	-	1,179.44	109.04	32.58	76.46	-	100%
8	LCC Saudi Arabian Telecom Services Co Ltd	KSA	January 02, 2015	-	SAR	20.21	19.86	20.21	159.99	1,466.90	1,286.70	-	1,338.06	-99.55	-	-99.55	-	100%
9	LCC Saudi Arabian Telecom Services Co. Ltd/Jordan WLL (refer note viii)	Jordan	Not Applicable	December	JOD	107.12	107.12	1.61	-7.28	3.41	9.08	-	-	-9.98	-	-9.98	-	100%
10	Lightbridge Communications Corporation	USA	January 02, 2015	-	USD	75.79	74.48	6,890.72	-2,215.02	6,637.01	1,961.31	-	-	338.19	69.53	268.66	-	100%
11	LCC Middle East FZLLC	UAE	January 02, 2015	-	AED	20.68	20.68	1.03	-	165.67	164.63	-	378.11	-22.26	28.18	-50.44	-	100%
12	LCC Wireless Communications Services Marox, SARL	Morocco	January 02, 2015	December	MAD	7.89	7.89	0.08	-	4.76	4.68	-	-	-0.10	-	-0.10	-	100%
13	LCC Italia s.r.l. (refer note viii)	Italy	Not Applicable	December	EUR	84.03	86.56	13.95	-	2.26	-11.69	-	-	-0.50	-	-0.50	-	100%
14	LCC Design and Deployment Services Ltd.	Greece	January 02, 2015	December	EUR	84.03	86.56	1.51	-	111.06	109.54	-	107.97	1.07	-	1.07	-	100%
15	LCC Deployment Services UK Limited	UK	January 02, 2015	-	GBP	99.34	101.77	500.88	-398.58	146.83	44.52	-	95.27	3.62	-	3.62	-	100%
16	LCC North Central Europe, B.V.	Netherlands	January 02, 2015	-	EUR	84.03	86.56	1.51	101.51	195.14	92.12	-	285.54	15.03	-	15.03	-	100%
17	LCC Europe B.V.	Netherlands	January 02, 2015	-	EUR	84.03	86.56	1.51	734.96	1,881.25	1,144.77	872.59	-	16.15	-	16.15	-	100%
18	LCC Networks Poland Sp.z o.o	Poland	January 02, 2015	December	PLN	17.67	17.67	0.18	-	19.75	19.58	-	13.45	0.54	0.02	0.51	-	100%
19	LCC France SARL	France	January 02, 2015	-	EUR	84.03	86.56	22.27	46.09	448.61	380.25	-	450.29	-17.45	2.67	-20.12	-	100%



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	Average 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
20	LCC Telekomunikasyon Servis Limited (refer note iv)	Turkey	Not Applicable	-	TRY	5.17	5.17	-	-	-	-	-	-	-	-	-	-	100%
21	Lightbridge Communication Corporation LLC	Qatar	January 02, 2015	-	QAR	20.85	20.85	4.17	-	12.82	8.65	-	42.98	2.28	0.24	2.04	-	49%
22	Tech Mahindra Network Services International Inc.,	USA	January 02, 2015	-	USD	75.79	74.48	12,844.83	-12,020.74	2,988.71	2,164.62	-	1,321.68	282.86	0.86	282.00	-	100%
23	Tech Mahindra Network Services Belgium	Belgium	January 02, 2015	-	EUR	84.03	86.56	24.79	-327.46	-58.83	243.85	-	0.70	-22.87	-	-22.87	-	100%
24	Leadcom Integrated Solutions International B.V.	Netherlands	January 02, 2015	-	EUR	84.03	86.56	2.87	1,489.24	3,240.64	1,748.53	-	960.85	0.13	-87.56	-	-87.56	100%
25	Tech-Mahindra S.A (refer note v)	Argentina	Not Applicable	-	ARS	0.68	0.68	0.01	-82.58	45.24	127.81	-	38.54	2.27	-	2.27	-	100%
26	Tech-Mahindra Bolivia S.R.L.	Bolivia	January 02, 2015	-	BOB	11.05	11.05	4.09	-324.71	0.72	321.34	-	-	-26.09	-	-26.09	-	100%
27	Tech Mahindra Colombia S.A.S	Colombia	January 02, 2015	-	COP	0.02	0.02	6.84	118.10	410.78	285.84	-	651.52	41.40	15.22	26.18	-	100%
28	Coniber S.A.	Uruguay	January 02, 2015	-	USD	75.79	74.48	0.38	-107.85	411.61	519.08	-	-	-42.68	-	-42.68	-	100%
29	Tech Mahindra Costa Rica Sociedad Anonima	Costa Rica	January 02, 2015	-	CRC	0.12	0.12	-	11.57	21.70	10.13	-	33.77	3.85	1.01	2.84	-	100%
30	Tech-Mahindra Ecuador S.A	Ecuador	January 02, 2015	-	USD	75.79	74.48	0.06	368.45	508.16	139.65	-	409.41	-6.24	11.60	-17.84	-	100%
31	Societe de Telecommunications Africaine (STA) Abidjan	Ivory Coast	January 02, 2015	-	XOF	0.13	0.13	25.60	281.32	1,015.29	708.37	-	883.47	74.22	35.52	38.70	-	100%
32	Tech-Mahindra Panama, S.A.	Panama	January 02, 2015	-	USD	75.79	74.48	-	73.81	132.00	58.18	-	67.76	8.19	1.85	6.34	-	100%
33	Tech-Mahindra de Peru S.A.C.	Peru	January 02, 2015	-	PEN	20.42	20.42	43.86	-7.44	293.30	256.88	-	149.44	26.80	-	26.80	-	100%
34	Leadcom Integrated Solutions Tchad SARL (refer note iv)	Chad	Not Applicable	-	XOF	0.13	0.13	0.13	-0.13	-0.00	-	-	0.32	71.26	-0.00	71.26	-	100%
35	Leadcom DRC Spri	DRC	January 02, 2015	-	USD	75.79	74.48	1.97	182.42	362.85	178.46	-	421.77	68.50	24.52	43.97	-	100%
36	Leadcom Gabon S.A.	Gabon	January 02, 2015	-	XOF	0.13	0.13	1.28	-43.50	0.80	43.03	-	-	-0.24	-	-0.24	-	100%
37	Leadcom Ghana Limited	Ghana	January 02, 2015	-	GHS	10.11	10.11	21.74	26.72	118.26	69.81	-	157.15	6.72	0.93	5.79	-	100%
38	Leadcom Integrated Solutions Kenya Limited	Kenya	January 02, 2015	-	KES	0.66	0.66	0.07	283.31	901.17	617.80	-	759.17	22.87	6.44	16.44	-	100%
39	Leadcom Integrated Solutions Rwanda Ltd.	Rwanda	January 02, 2015	-	RWF	0.07	0.07	0.70	216.20	269.56	52.65	-	79.18	74.74	22.90	51.84	-	100%
40	Leadcom Integrated Solutions Tanzania Ltd.	Tanzania	January 02, 2015	-	TZS	0.03	0.03	8.06	-208.20	117.78	317.92	-	77.80	-31.96	0.35	-32.31	-	100%
41	Leadcom Uganda Limited	Uganda	January 02, 2015	-	UGX	0.02	0.02	0.90	578.40	889.45	310.15	-	2,000.62	337.85	104.73	233.12	-	100%
42	Leadcom Integrated Solutions Myanmar Co., Ltd	Myanmar	January 02, 2015	-	MMK	0.04	0.04	2.33	77.08	83.01	3.60	-	-7.94	-7.99	-2.00	-5.99	-	100%
43	Leadcom Integrated Solutions (L.I.S.) Ltd.	Israel	January 02, 2015	-	USD	75.79	74.48	0.11	631.45	1,882.86	1,251.30	-	1,499.06	-429.50	2.27	-431.77	-	100%

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	Average 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
44	Leadcom Integrated Solutions (SPV) SAS	France	January 02, 2015	-	EUR	84.03	86.56	171.18	-1,128.06	360.33	1,317.21	323.86	28.43	-83.41	33.65	-117.06	-	100%
45	Tech-Mahindra Guatemala S.A	Guatemala	January 02, 2015	-	GTQ	9.90	9.90	1.06	4.00	130.35	125.29	-	102.15	16.71	0.01	16.69	-	100%
46	Tech Mahindra GmbH	Germany	Not Applicable	-	EUR	84.03	86.56	50.50	1,921.84	5,649.70	3,677.36	508.59	10,448.61	1,111.83	221.66	890.16	-	100%
47	TechM IT-Services GmbH	Austria	Not Applicable	-	EUR	84.03	86.56	0.42	8.75	10.40	1.23	-	3.64	0.24	0.06	0.18	-	100%
48	Tech Mahindra Norway AS	Norway	Not Applicable	-	NOK	8.68	8.59	0.26	274.87	1,023.46	748.33	-	576.00	48.12	-130.74	178.86	-	100%
49	Tech Mahindra (Singapore) Pre Limited	Singapore	Not Applicable	-	SGD	55.92	55.21	10,124.04	294.05	11,086.54	668.44	10,699.72	261.35	284.44	47.16	237.28	-	100%
50	Tech Mahindra (Thailand) Limited	Thailand	Not Applicable	-	THB	2.28	2.28	1,451.73	-1,626.61	2,006.42	2,181.30	-	2,521.17	-384.86	-	-384.86	-	100%
51	PT Tech Mahindra Indonesia	Indonesia	Not Applicable	-	USD	75.79	74.48	37.90	1,668.36	2,298.88	592.62	-	2,764.26	825.97	231.19	594.78	-	100%
52	Tech Mahindra (Beijing) IT Services Limited	China	Not Applicable	December	CNY	11.94	11.60	66.55	60.79	241.37	114.03	-	383.41	-1.22	-	-1.22	-	100%
53	Tech Mahindra (Nigeria) Limited	Nigeria	Not Applicable	-	NGN	0.18	0.18	27.93	-806.99	1,023.75	1,802.80	-	706.41	148.85	108.81	40.04	-	100%
54	Tech Mahindra Bahrain Ltd W.L.L	Bahrain	Not Applicable	-	BHD	200.80	197.50	10.04	72.31	115.25	32.90	-	40.11	2.37	-	2.37	-	100%
55	Tech Mahindra Business Services Limited	India	September 4, 2012	-	INR	1.00	1.00	10.00	5,341.52	9,119.60	3,768.07	2,854.26	8,892.49	2,310.80	315.74	1,995.06	-	100%
56	Cornivia Technologies Limited	India	December 13, 2012	-	INR	1.00	1.00	218.69	8,224.66	10,916.64	2,473.29	2,926.13	6,716.87	1,539.39	1,100.74	438.65	-	99.99%
57	Cornivia Technologies Nigeria Limited	Nigeria	March 23, 2011	-	NGN	0.18	0.18	22.80	-20.00	52.73	49.93	-	48.97	9.60	3.94	5.65	-	99.99%
58	Cornivia Technologies Singapore Pre. Ltd	Singapore	September 8, 2011	-	SGD	55.92	55.21	-	-	-	-	-	-	1,678.27	-53.75	1,732.02	-	100%
59	Cornivia Technologies FZLLC	UAE	February 19, 2012	-	AED	20.68	20.68	23.45	-1,468.74	15,513.74	16,959.03	-	13,480.23	-2,377.30	-	-2,377.30	-	99.99%
60	Cornivia Technologies B.V.	Netherlands	April 30, 2015	-	EUR	84.03	86.56	134,558.98	-16,579.00	176,652.22	60,672.84	55,474.87	100,948.31	38,065.06	3,370.94	34,694.72	-	99.99%
61	Cornivia Technologies (Argentina) S.A	Argentina	January 31, 2016	June	ARS	0.68	0.68	70.44	-16.38	161.38	107.32	-	210.65	-4.87	-4.26	-0.61	-	99.99%
62	Cornivia Technologies Colombia S.A.S	Colombia	June 17, 2016	December	AUD	56.66	55.06	456.58	1,824.81	6,482.55	4,201.16	-	7,560.28	221.01	378.76	-157.76	-	99.99%
63	Cornivia Technologies Madagascar Sarlu	Madagascar	Not Applicable	-	MGA	0.02	0.02	0.02	0.03	0.13	0.07	-	0.06	-0.08	-0.01	-0.07	-	99.99%
64	Cornivia Technologies (Australia) Pty Ltd	Australia	Not Applicable	-	AUD	56.66	55.06	32.10	-6,034.50	29,565.89	35,568.29	31,311.58	9,190.24	848.20	346.76	501.44	-	99.99%
65	Emagine Internacional Pty Ltd (refer note vii)	Australia	September 01, 2017	-	AUD	56.66	55.06	6,121.19	11,229.74	17,388.10	37.17	-	2,455.47	-321.04	236.11	-557.15	-	99.99%
66	YABX Technologies (Netherlands) B.V.	Netherlands	Not Applicable	-	EUR	84.03	86.56	-	-6,766.56	5,388.04	12,134.60	-	1,875.74	-7,622.97	-1,809.07	-5,813.90	-	99.99%

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67	Tech Mahindra Holdco Pty Limited	South Africa	Not Applicable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	96%
68	Tech Mahindra South Africa (Pty) Limited	South Africa	Not Applicable	-	ZAR	5.21	5.02	0.00	767.00	2,699.38	1,932.38	-	1,856.06	544.66	154.38	390.28	-	48.96%
69	Tech Mahindra (Shanghai) Co. Ltd	China	Not Applicable	December	CNY	11.94	11.60	1,479.80	-787.11	1,341.72	649.03	-	1,513.51	-5.23	-	-5.23	-	100%
70	Tech Mahindra (Nanjing) Co. Ltd	China	Not Applicable	December	CNY	11.94	11.60	628.47	-512.12	116.69	0.34	-	7.92	2.16	0.05	2.10	-	100%
71	Tech Mahindra Technologies, Inc.	USA	Not Applicable	-	USD	75.79	74.48	75.79	740.51	1,103.94	287.64	-	2,187.31	398.79	104.01	294.78	-	100%
72	Citisoft Limited	UK	Not Applicable	-	GBP	99.34	101.77	11.17	1,077.12	1,163.37	75.09	-	194.00	993.06	0.88	992.18	-	100%
73	Citisoft Inc.,	USA	Not Applicable	-	USD	75.79	74.48	601.11	-	979.16	378.05	108.10	0.00	191.86	70.55	121.31	-	100%
74	Satyam Venture Engineering Services Private Limited	India	Not Applicable	-	INR	1.00	1.00	70.89	3,296.53	4,343.90	976.48	-	3,390.33	560.28	155.40	404.89	-	50%
75	Satyam Venture Engineering Services (Shanghai) Co Limited	China	Not Applicable	December	CNY	11.94	11.60	67.99	11.80	97.73	17.94	-	98.80	10.36	1.95	8.41	-	50%
76	Salven GmbH	Germany	Not Applicable	-	EUR	84.03	86.56	35.71	13.10	58.53	9.72	-	94.14	6.50	0.65	5.85	-	50%
77	Tech Mahindra De Mexico S.DE R.LDE C.V	Mexico	Not Applicable	December	MXN	3.81	3.67	49.29	300.08	1,820.24	1,470.87	-	2,594.32	170.13	188.19	-18.06	-	100%
78	vCustomer/Philippines Inc.,	Philippines	Not Applicable	-	PHP	1.46	1.49	14.13	457.91	654.78	182.75	-	529.41	36.48	5.02	31.46	-	100%
79	vCustomer/Philippines (Cebu), Inc.,	Philippines	Not Applicable	-	PHP	1.46	1.49	13.90	993.36	1,853.12	845.86	-	839.20	306.03	6.61	299.42	-	100%
80	Tech Mahindra Servicios De Informatica S A	Brazil	Not Applicable	-	BRL	15.88	13.97	4,023.48	-4,139.45	1,210.84	1,326.81	-	-	490.00	-	490.00	-	100%
81	Tech Mahindra ICT Services (Malaysia) SDN.BHD	Malaysia	Not Applicable	-	MYR	18.00	17.83	191.79	1,168.31	3,830.75	2,470.65	-	7,390.45	779.12	0.84	778.27	-	100%
82	TC Inter-Informatics a.s.	Czech Republic	September 05, 2018	-	CZK	3.45	3.42	0.21	0.03	0.31	0.08	-	0.52	0.07	-	0.07	-	100%
83	Tech Mahindra Communications Japan Co., Ltd	Japan	March 14, 2019	-	JPY	0.62	0.66	26.76	217.21	587.37	343.41	-	1,979.73	184.43	60.83	123.60	-	100%
84	SoGen Holdings Limited	Cyprus	March 13, 2015	-	EUR	84.03	86.56	1,155.17	-1,100.93	3,815.20	3,760.97	5.89	163.81	-61.18	18.47	-79.65	-	100%
85	SoGen Africa Limited	Africa	March 13, 2015	December	KES	0.66	0.66	0.07	-216.82	103.35	320.10	-	72.65	-23.98	-	-23.98	-	100%
86	Tech Mahindra (Switzerland) SA	Switzerland	March 13, 2015	-	CHF	81.80	81.02	147.25	158.31	1,841.06	1,535.50	-	794.81	-9.65	0.59	-10.24	-	100%
87	Tech Mahindra DFC SARLU (refer note ix)	Congo DRC	Not Applicable	December	CDF	0.04	0.04	-	-	-	-	-	-	-	-	-	-	100%
88	NTH Dimension Ltd	UK	Not Applicable	-	GBP	99.34	101.77	99.34	-60.25	42.36	3.28	-	0.40	-2.02	0.34	-2.37	-	100%

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89	Tech Mahindra Arabia Limited	Kingdom of Saudi Arabia	Not Applicable	-	SAR	20.21	19.86	20.21	207.52	947.89	720.16	-	1,789.14	259.57	31.45	228.11	-	51%
90	Tech Mahindra Netherlands B.V. (refer note v)	Netherlands	Not Applicable	-	EUR	84.03	86.56	-	-	-	-	-	-	-	-	-	-	100%
91	Tech Mahindra Sweden AB	Sweden	Not Applicable	-	SEK	8.13	8.46	0.41	82.37	145.19	62.41	-	335.39	18.98	4.11	14.88	-	100%
92	Tech Mahindra Fintech Holdings Limited	UK	Not Applicable	-	GBP	99.34	101.77	5.96	8,312.64	8,319.68	1.08	8,264.84	-	-13.84	-	-13.84	-	100%
93	Target Group Limited	Great Britain	August 19, 2016	-	GBP	99.34	101.77	136.99	-117.50	3,157.53	3,138.05	894.04	2,792.66	-194.38	-149.06	-45.32	-	100%
94	Target Servicing Limited	Great Britain	Not Applicable	-	GBP	99.34	101.77	894.03	-113.75	2,347.21	1,566.93	-	4,925.87	-335.17	-79.13	-256.04	-	100%
95	Hariosh Limited	Great Britain	Not Applicable	-	GBP	99.34	101.77	0.02	340.15	399.52	59.35	-	-	-0.05	6.17	-6.22	-	100%
96	Target Financial Systems Limited (refer note iv)	-	Not Applicable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100%
97	Elerbridge Limited	Great Britain	Not Applicable	-	GBP	99.34	101.77	0.01	285.05	608.82	323.76	-	85.78	20.60	12.84	7.76	-	100%
98	Target TG Investments Limited (refer note iv)	-	Not Applicable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100%
99	PF Holdings B.V.	Netherlands	May 30, 2016	-	EUR	84.03	86.56	6,868.02	-1,884.61	4,990.04	6.63	4,981.06	-	-2.36	-	-2.36	-	60%
100	Pininfarina S.p.A.	Italy	May 30, 2016	December	EUR	84.03	86.56	4,745.01	-424.62	8,456.13	4,135.75	1,673.45	3,670.07	282.82	-	282.82	-	47.30%
101	Pininfarina of America Corp.	USA	May 30, 2016	December	USD	75.79	74.48	0.76	157.80	255.53	96.97	-	349.43	82.28	17.01	65.27	-	47.30%
102	Pininfarina Engineering S.R.L. (refer note viii)	Italy	Not Applicable	December	EUR	84.03	86.56	8.40	1,419.42	1,492.66	64.84	1,453.09	51.63	189.28	-	189.28	-	47.30%
103	Pininfarina Deutschland Holding GmbH	Germany	May 30, 2016	December	EUR	84.03	86.56	260.50	690.82	958.47	7.15	15.93	31.68	-16.42	-	-16.42	-	47.30%
104	Pininfarina Deutschland GmbH	Germany	May 30, 2016	December	EUR	84.03	86.56	2.10	-47.74	796.39	842.04	-	1,297.68	-56.05	-	-56.05	-	47.30%
105	Pininfarina Shanghai Co., Ltd	China	May 30, 2016	December	CNY	11.94	11.60	44.20	107.40	404.24	252.64	-	731.20	39.46	-	39.46	-	47.30%
106	The Bio Agency Ltd (refer note viii)	UK	July 1, 2016	-	GBP	99.34	101.77	-	-	-	-	-	206.42	171.55	-	171.55	-	100%
107	The CJS Solutions Group, LLC	USA	May 4, 2017	-	USD	75.79	74.48	7,573.75	1,163.01	9,918.77	1,182.01	0.01	5,585.66	12.48	-92.37	104.86	-	100%
108	HCI Group Australia Pty Ltd	Australia	May 4, 2017	-	AUD	56.66	55.06	0.01	-55.85	52.22	108.06	-	141.34	18.63	-32.56	51.18	-	100%
109	Healthcare Clinical Informatics Ltd	UK	May 4, 2017	-	GBP	99.34	101.77	0.00	-357.80	294.23	652.03	-	687.60	75.96	14.78	61.17	-	100%
110	Tech Mahindra LLC	USA	Not Applicable	-	USD	75.79	74.48	0.76	-	1,527.46	1,526.70	-	12.82	-	-	-	-	100%
111	Tech Mahindra Chile SpA	Chile	Not Applicable	-	CLP	0.10	0.10	-	-	-	-	-	-	-0.25	-	-0.25	-	100%
112	Tech Mahindra Vietnam Company Limited	Vietnam	Not Applicable	-	VND	0.00	0.00	3.77	130.00	1,798.57	1,664.81	-	1,182.41	87.57	2.69	84.88	-	100%
113	Dynacommerce Holding B.V.	Netherlands	May 9, 2019	December	EUR	84.03	86.56	1,009.91	-671.90	353.62	15.61	-	-	-46.27	-138.99	92.72	-	100%
114	Dynacommerce B.V.	Netherlands	May 9, 2019	December	EUR	84.03	86.56	1.51	-470.61	161.45	630.54	-	442.87	67.17	-4.81	71.98	-	100%

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115	Mad*Pow Media Solutions, LLC	USA	July 31, 2019	December	USD	75.79	74.48	458.35	-	784.84	326.49	-	-	65.25	-0.51	65.77	-	88.34%
116	Born Group Pte Limited	Singapore	November 26, 2019	-	USD	75.79	74.48	4,610.45	915.39	5,963.47	437.63	5,664.85	700.94	-5.03	-	-5.03	-	100%
117	Group FMG Holdings B.V.	Netherlands	Not Applicable	December	USD	75.79	74.48	24.86	-243.59	3,233.55	3,452.27	3,233.23	-	-5.56	-	-5.56	-	100%
118	Whitefields Holdings Asia Limited (refer note viii)	Mauritius	Not Applicable	December	USD	75.79	74.48	0.19	-0.29	0.73	0.83	-	-	-0.92	-	-0.92	-	100%
119	Born Japan Kabushiki Kaisha	Japan	November 26, 2019	-	JPY	0.62	0.66	40.54	-33.24	10.54	3.25	-	38.52	4.45	0.12	4.33	-	100%
120	Born Digital Sdn Bhd	Malaysia	November 26, 2019	-	MYR	18.00	17.83	0.68	81.48	114.70	32.54	-	225.63	32.07	0.46	31.61	-	100%
121	Born Creative Commerce Group Inc. (refer note ix)	Canada	November 26, 2019	December	CAD	60.46	59.39	-	-	-	-	-	-	-	-	-	-	100%
122	Born London Limited	UK	November 26, 2019	-	GBP	99.34	101.77	2.43	454.79	2,368.14	1,910.93	477.45	3,014.97	5.86	-33.49	39.35	-	100%
123	Born Group Inc	USA	November 26, 2019	December	USD	75.79	74.48	1,824.61	-1,458.74	1,644.56	1,278.70	-	3,500.12	355.45	230.12	125.34	-	100%
124	Born Group HK Company Limited	Hong Kong	November 26, 2019	-	HKD	9.69	9.69	0.00	27.19	27.23	0.04	-	38.89	2.88	-1.27	4.25	-	100%
125	Born Commerce Private Limited	India	November 25, 2019	-	INR	1.00	1.00	64.25	1,013.32	1,760.38	682.81	-	2,598.23	128.35	57.65	70.70	-	100%
126	Tech Mahindra France	France	Not Applicable	-	EUR	84.03	86.56	8.32	138.21	1,329.37	1,182.84	-	1,755.63	85.00	2.70	82.30	-	100%
127	Tech Mahindra Spain S.L.	Spain	Not Applicable	-	EUR	84.03	86.56	1.51	-1.67	0.26	0.41	-	-	-1.72	-	-1.72	-	100%
128	Comviva Technologies Cole Divoire	Ivory Coast	Not Applicable	-	XOF	0.13	0.13	-	-	-	-	-	-	-	-	-	-	99.99%
129	STA Dakar (refer note viii)	Senegal	Not Applicable	-	XOF	0.13	0.13	-	-	-	-	-	-	-	-	-	-	100%
130	Comviva Technologies Myanmar Limited	Myanmar	Not Applicable	September	MMK	0.04	0.04	0.50	-1.13	7.55	8.18	-	1.96	-1.63	-0.06	-1.56	-	99.99%
131	Tech Mahindra Healthcare Systems Holdings LLC (refer note v)	USA	Not Applicable	-	USD	75.79	74.48	-	-	-	-	-	-	-	-	-	-	100%
132	Tech Mahindra Healthcare LLC (refer note v)	USA	Not Applicable	-	USD	75.79	74.48	-	-	-	-	-	-	-	-	-	-	100%
133	Comviva Technologies USA Inc	USA	Not Applicable	-	USD	75.79	74.48	2,297.80	-4,624.08	2,416.60	4,742.88	-	1,567.18	-5,217.47	-1,372.06	-3,845.42	-	99.99%
134	Zen3 Infosolutions (America) Inc.	USA	April 9, 2020	-	USD	75.79	74.48	101.77	1,214.29	1,947.50	631.44	-	3,776.66	329.39	70.35	259.04	-	100%
135	Zen3 Infosolutions Private Limited	India	April 9, 2020	-	INR	1.00	1.00	10.00	222.51	346.49	113.98	-	-	78.00	32.78	45.22	-	100%
136	Oslo Solutions LLC (refer note v)	USA	April 9, 2020	-	USD	75.79	74.48	-	-	-	-	-	-	-	-	-	-	100%
137	Zen3 Infosolutions Inc (refer note iv)	Canada	April 9, 2020	December	EUR	84.03	86.56	-	-	-	-	-	-	-	-	-	-	100%
138	Zen3 Information Technologies Limited (refer note iv)	Ireland	April 9, 2020	December	CAD	60.46	59.39	-	-	-	-	-	-	-	-	-	-	100%

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139	Tech Mahindra Cerium Private Limited	India	April 9, 2020	-	INR	1.00	1.00	30.81	1,055.91	2,011.84	925.12	43.38	3,196.17	305.95	187.86	118.10	-	71.91%
140	Tech Mahindra Cerium Systems Inc	USA	April 9, 2020	December	USD	75.79	74.48	0.02	140.71	170.49	29.76	-	325.42	64.57	-	64.57	-	71.91%
141	Tech Mahindra Cerium Systems SDN. BHD.	Malaysia	April 9, 2020	December	MYR	18.00	17.83	43.27	51.52	164.60	69.82	-	222.20	46.30	-	46.30	-	71.91%
142	Tenzing Limited	New Zealand	December 1, 2020	-	NZD	52.48	51.88	-	353.01	632.10	279.09	-	1,743.12	129.12	-	129.12	-	100%
143	Tenzing Australia Limited	New Zealand	December 1, 2020	-	NZD	52.48	51.88	-	115.92	250.80	134.89	-	453.25	69.69	-	69.69	-	100%
144	Perigord Asset Holdings Limited	Ireland	15-Mar-21	-	EUR	84.03	86.56	0.37	2,594.03	2,884.00	289.60	2,642.29	-	-63.37	-	-63.37	-	76%
145	Perigord Premedia Limited	Ireland	15-Mar-21	-	EUR	84.03	86.56	21.34	409.32	584.69	154.03	144.36	1,022.36	110.44	5.48	104.96	-	76%
146	Perigord Data Solutions Limited	Ireland	15-Mar-21	-	EUR	84.03	86.56	89.92	-272.04	411.24	593.35	-	710.81	127.83	14.76	113.06	-	76%
147	Perigord Premedia USA Inc.	United States	15-Mar-21	-	USD	75.79	74.48	21.85	129.39	203.09	51.85	-	257.02	63.77	20.14	43.63	-	76%
148	August Failer Artwork Solutions Gmbh	Germany	15-Mar-21	-	EUR	84.03	86.56	16.81	30.97	60.24	12.46	-	200.31	0.24	0.07	0.17	-	76%
149	Perigord Premedia (India) Private Limited	India	15-Mar-21	-	INR	1.00	1.00	11.58	69.65	105.82	24.59	-	200.27	24.02	4.86	19.15	-	100%
150	Perigord Data Solutions (India) Private Limited	India	15-Mar-21	-	INR	1.00	1.00	2.08	39.09	53.79	12.61	-	160.49	20.71	5.02	15.69	-	100%
151	Tech Mahindra Luxembourg S.a.r.l.	Luxembourg	Not Applicable	-	EUR	84.03	86.56	1.01	6.19	14.05	6.85	-	110.75	5.27	0.93	4.35	-	100%
152	Tech Mahindra Credit Solutions Inc	USA	Not Applicable	-	USD	75.79	74.48	7.58	-1.55	7.58	1.55	-	-	-1.52	-	-1.52	-	100%
153	Tech Mahindra Digital Pty Ltd	Australia	12-Feb-21	-	AUD	56.66	55.06	0.07	369.51	459.37	89.78	-	938.96	153.89	70.20	83.69	-	100%
154	Yabx India Private Limited	India	June 04, 2018	-	INR	1.00	1.00	70.14	1.76	110.62	38.72	-	97.45	12.94	-1.15	14.09	-	99.99%
155	Tech Mahindra Consulting Group Inc.	Canada	04-Oct-19	-	CAD	60.46	59.39	144.96	-15.38	283.78	154.21	-	334.16	10.55	2.54	8.01	-	100%
156	Digital OnLus, Inc. (refer note vii)	USA	May 07, 2021	December	USD	75.79	74.48	1,370.62	229.11	3,002.19	1,402.47	1,138.13	3,576.16	367.32	225.46	141.86	-	100%
157	Tech Mahindra Mexico Cloud Services, S.DE R.L. DE C.V (refer note vii)	Mexico	May 07, 2021	December	MXN	3.81	3.67	-	287.46	595.90	308.44	-	2,097.33	112.51	35.56	76.95	-	100%
158	Digital OnLus Technologies Inc. (refer note vii)	Canada	May 07, 2021	December	CAD	60.46	59.39	27.34	-15.00	35.77	23.43	-	291.22	7.75	-	7.75	-	100%
159	Digitalops Technology Private Limited (refer note vii)	India	May 07, 2021	-	INR	1.00	1.00	0.10	1.18	1.46	0.18	-	2.84	-0.01	0.09	-0.09	-	100%
160	Healthmx Inc. (refer note vii)	USA	Not Applicable	-	USD	75.79	74.48	409.28	-103.82	421.92	116.46	227.38	9.29	-129.15	-27.13	-102.02	-	100%
161	Eventus Solutions Group, LLC (refer note vii)	USA	June 18, 2021	-	USD	75.79	74.48	1,370.62	-897.87	2,330.28	1,857.53	-	3,829.49	342.19	264.50	77.68	-	100%

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	Average 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
162	Eventus Solutions Group UK Limited (refer note iv & vi)	UK	June 18, 2021	-	USD	75.79	74.48	-	-	-	-	-	-	-	-	-	-	100%
163	Infostar LLC (refer note vii)	USA	October 25, 2021	-	USD	75.79	74.48	359.55	-	616.48	256.93	-	-	-23.85	-	-	-23.85	100%
164	Brainscale Inc. (refer note vii)	USA	November 17, 2021	December	USD	75.79	74.48	-	-	386.96	386.96	-	986.68	419.39	91.83	327.57	-	100%
165	BrainScale Canada Inc., (refer note vi)	Canada	November 17, 2021	December	CAD	60.46	59.39	-	-	116.40	116.40	-	249.40	20.01	5.47	14.53	-	100%
166	Activus Connect LLC (refer note vii)	USA	December 03, 2021	December	USD	75.79	74.48	16.05	387.28	507.77	104.44	-	-	168.28	1.44	166.84	-	100%
167	Activus Connect PR LLC (refer note vii)	USA	December 03, 2021	December	USD	75.79	74.48	12.09	4.76	19.42	2.57	-	-	1.17	-	1.17	-	100%
168	Green Investments LLC (refer note vii)	USA	December 31, 2021	-	USD	75.79	74.48	359.75	189.22	784.24	235.26	-	1,046.13	239.42	3.55	235.88	-	100%
169	Allyis Technology Solutions Sociedad de Responsabilidad Limitada (refer note vi)	Costa Rica	December 31, 2021	December	CRC	0.12	0.12	0.12	81.02	118.17	37.03	-	134.85	19.43	-	19.43	-	100%
170	Allyis Technologies S.R.L (refer note vii)	Romania	December 31, 2021	December	RON	17.00	17.00	0.34	74.05	105.43	31.04	-	104.99	22.42	3.59	18.83	-	100%
171	Allyis, Inc. (refer note vii)	USA	December 31, 2021	December	USD	75.79	74.48	154.27	265.75	658.46	238.44	114.80	957.75	261.14	-	261.14	-	100%
172	Allyis Technologies Canada Inc. (refer note vi)	Canada	December 31, 2021	December	CAD	60.46	59.39	0.73	1.72	4.54	2.09	-	14.96	1.47	-	1.47	-	100%
173	Allyis India Private Limited (refer note vi)	India	December 31, 2021	-	INR	1.00	1.00	8.00	64.03	105.25	33.22	-	372.54	48.60	13.54	35.06	-	100%
174	Tech Mahindra Limited SPC (refer note vii)	Oman	Not Applicable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100%
175	Beglo Private Limited (refer note vii)	India	Not Applicable	-	INR	1.00	1.00	30.00	-17.59	19.06	6.66	-	28.30	-23.48	-5.88	-17.59	-	100%
176	Beris Consulting GmbH (refer note vii)	Germany	October 01, 2021	December	EUR	84.03	86.56	16.81	118.22	255.54	120.52	-	81.89	17.79	-	17.79	-	100%
177	Lineas Informationstechnik GmbH (refer note vii)	Germany	October 01, 2021	December	EUR	84.03	86.56	2.10	278.16	362.20	81.93	-	347.50	-2.57	-	-2.57	-	100%
178	TW Born Group CR Sociedad de Responsabilidad Limitada (refer note vii)	Costa Rica	Not Applicable	December	CRC	0.12	0.12	0.01	-0.72	-	0.71	-	-	-0.72	-	-0.72	-	100%
179	We Make Websites Limited (refer note vii)	UK	October 25, 2021	-	GBP	99.34	101.77	0.01	211.36	305.28	93.91	-	196.51	16.52	4.35	12.16	-	100%
180	We Make Websites Inc (refer note vii)	USA	October 25, 2021	-	USD	75.79	74.48	0.01	11.91	117.72	105.80	-	106.08	29.43	-	29.43	-	100%
181	GEOMATIC AI PTY LTD (refer note vii)	Australia	February 07, 2022	-	AUD	56.66	55.06	-	9.48	303.96	294.48	-	174.77	12.80	3.58	9.21	-	80%
182	Tech Mahindra Technology Services LLC	Russia	Not Applicable	-	RUB	1.07	1.03	3.22	-2.56	2.13	1.47	-	-	-2.45	-	-2.45	-	100%

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	Average 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
183	Tech Mahindra IT Services NL B.V.	Netherlands	Not Applicable	-	EUR	84.03	86.56	1.51	241.05	1,048.12	805.56	-	1,806.62	48.99	28.14	20.85	-	100%
184	Tech Mahindra Defence Technologies Limited (refer note vii)	India	Not Applicable	-	INR	1.00	1.00	10.00	-0.50	10.00	0.50	-	-	-0.50	-	-0.50	-	100%
185	Tech Mahindra Servicos Ltda (refer note vii)	Brazil	Not Applicable	-	BRL	15.88	13.97	-	-	-	-	-	-	-	-	-	-	100%
186	Tech Mahindra London Limited	UK	Not Applicable	-	GBP	99.34	101.77	26,028.93	-78.74	33,814.26	7,864.06	33,675.33	-	862.59	-	862.59	-	100%
187	COM TEC CO IT LTD (refer note vii)	Cyprus	January 17, 2022	December	EUR	84.03	86.56	5,806.68	402.61	8,399.64	2,190.35	3.12	1,529.73	172.82	20.58	152.24	-	100%
188	CTCo SIA (refer note vii)	Latvia	January 17, 2022	December	EUR	84.03	86.56	0.24	983.55	1,439.97	456.18	-	1,025.16	189.99	1.52	188.47	-	100%
189	CTDev LLC (refer note vii)	Belarus	January 17, 2022	December	BYN	0.04	0.04	0.00	0.02	0.06	0.03	-	0.04	-0.00	0.00	-0.01	-	100%
190	Comviva Technologies Americas Inc (refer note vii)	USA	Not Applicable	-	USD	75.79	74.48	-	55.88	124,149.17	124,093.29	-	9,255.23	76.73	22.79	53.94	-	99.99%
191	Comviva Technologies do Brasil Industria, Comercio, Importacao e Exportacao Ltda	Brazil	February 1, 2016	December	BRL	15.88	13.97	2,819.40	-2,852.07	3,171.18	3,203.86	-	3,179.91	-399.39	-	-399.39	-	99.99%
192	Tech Mahindra Products Services Singapore Pte. Limited	Singapore	March 13, 2015	-	SGD	55.92	55.21	256.14	-206.36	395.75	345.97	-	757.64	211.99	-48.73	260.71	-	100%
193	LCC do Brasil Ltda (refer note viii)	Brazil	January 02, 2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100%

**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. Refer note 36 for the entities which has not been considered for consolidation.
- iii. These numbers are including their subsidiaries and associates, if any.
- iv. Following subsidiaries have been liquidated/dissolved as per the laws of the domicile countries.
  - LCC Telekomunikasyon Servis Limited w.e.f. December 17, 2021
  - Leadcom Integrated Solutions Tchad SARL w.e.f. March 21, 2022
  - Zen3 Infosolutions Inc Dissolved w.e.f July 19, 2021.
  - Zen3 Information Technologies Limited Dissolved w.e.f April 20, 2021.
  - Eventus Solutions Group UK Limited Dissolved on November 30, 2021.
  - Target TG Investments Limited Dissolved w.e.f July 20, 2021.
  - Target Financial Systems Limited Dissolved w.e.f March 08, 2022.
- v. Following subsidiaries have been merged as per the laws of the domicile countries during the year
  - Tech Talenta Inc., Merged with Tech Mahindra (Americas) Inc. w.e.f February 28, 2022.
  - Oslo Solutions LLC Merged with Zen3 Infosolutions (America) Inc. w.e.f September 28, 2021.
  - Tech Mahindra Netherlands B.V. Merged with Tech Mahindra IT Services NL B.V. w.e.f July 27, 2021.
  - Tech Mahindra Healthcare Systems Holdings LLC Merged with The CJS Solutions Group, LLC w.e.f June 22, 2021.
  - Tech Mahindra Healthcare LLC Merged with The CJS Solutions Group, LLC w.e.f June 22, 2021.



- vi. Amounts represent carrying value of investment in associates as per equity method
- vii. Following entities have been incorporated/acquired during the year
- Digital OnUs, Inc. Acquired w.e.f. May 07, 2021.
  - Tech Mahindra Mexico Cloud Services, S.DE R.L. DE C.V Acquired w.e.f May 07, 2021. Formerly known as DigitalOnUS, S. De R.L. de C.V. Name changed effective August 27, 2021.
  - Digital OnUs Technologies Inc. Acquired w.e.f May 07, 2021.
  - Digital OnUs Technology Private Limited Acquired w.e.f May 07, 2021.
  - Healthxt Inc. Incorporated on April 27, 2021.
  - Eventus Solutions Group, LLC Acquired on June 18, 2021.
  - Eventus Solutions Group UK Limited Acquired on June 18, 2021.
  - Infostar LLC Acquired on October 25, 2021.
  - Brainscale Inc. Acquired on November 17, 2021.
  - BrainScale Canada Inc. Acquired on November 17, 2021.
  - Activus Connect LLC Acquired on December 03, 2021
  - Activus Connect PR LLC Acquired on December 03, 2021
  - Green Investments LLC Acquired on December 31, 2021
  - Allyis Technology Solutions Sociedad de Responsabilidad Limitada Acquired on December 31, 2021
  - Allyis Technologies S.R.L. Acquired on December 31, 2021
  - Allyis, Inc. Acquired on December 31, 2021
  - Allyis Technologies Canada Inc. Acquired on December 31, 2021
  - Allyis India Private Limited Acquired on December 31, 2021
  - Tech Mahindra Limited SPC Incorporated on November 25, 2021.
  - Begig Private Limited Incorporated on April 22, 2021.
  - Berris Consulting GmbH Acquired on October 01, 2021.
  - Lineas Informationstechnik GmbH Acquired on October 01, 2021.
  - TM Born Group CR Sociedad de Responsabilidad Limitada Incorporated on August 19, 2021.
  - We Make Websites Limited Acquired on October 25, 2021.
  - We Make Websites Inc. Acquired on October 25, 2021.
  - GEOMATIC.AI PTY LTD Acquired on February 07, 2022.
  - Tech Mahindra Defence Technologies Limited Incorporated on July 28, 2021.
  - Tech Mahindra Servicios Ltda Incorporated on May 21, 2021
  - COM TEC CO IT LTD Acquired on January 17, 2022.
  - CTCO SIA Acquired on January 17, 2022.
  - CTDev LLC Acquired on January 17, 2022.
  - Corniva Technologies Americas Inc Incorporated on November 04, 2021.
  - SWFT Technologies Limited Acquired on January 17, 2022.
  - Surance Ltd. Acquired on January 17, 2022.
- viii. Following entities have been under Liquidation/Strike off
- Whitefields Holdings Asia Limited
  - LCC do Brasil Ltda
  - LCC Italia s.r.l.
  - LCC Engineering & Deployment Services Misr, Ltd
  - LCC Saudi Arabian Telecom Services Co. Ltd/Jordan WLL
  - STA Dakar
  - Pininfarina Engineering S.R.L
  - The Bio Agency Ltd application filed for Strike off on December 31,2021
  - Emagne International Pty Ltd filed for Strike off on March 28, 2022.
- ix. Following entities have been stuck off/closed
- Tech Mahindra DRC SARLU stuck off w.e.f. April 28,2021
  - Born Creative Commerce Group Inc. closed w.e.f. November 15,2021

**PART "B": ASSOCIATES**

Sr no.	Name of the Associate	Latest audited Balance Sheet Date #	Date on which the Associate was associated or acquired	Shares of Associate held by the company on the year end No. of Shares	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 Considered in Consolidation	Profit / (Loss) for the year Considered in Not Consolidation
1	Avion Networks, Inc	March 31, 2016	October 23, 2014	600,000	185.61	30%	By Board and equity holding	Not Applicable	201.90	-	Not Applicable
2	SARL Djazatech		January 02, 2015								
3	EUROLCC UK Algeria		January 02, 2015								
4	Goodmind S.r.l.		May,30,2016	4,000	9.12	20%	Equity holding	Not Applicable		0.50	Not Applicable
5	Signature S.r.l.		February,07,2018	2,400	45.00	24%	Equity holding	Not Applicable		2.60	Not Applicable
6	Infotek Software and Systems Private Limited	March 31, 2022	April,08,2019	244,450	129.00	18%	Equity holding	Not Applicable	50.95	11.60	Not Applicable
7	Vitaran Electronics Private Limited	March 31, 2022	April,08,2019	3,618	50.00	18%	Equity holding	Not Applicable	7.78	1.07	Not Applicable
8	SWFT Technologies Limited (refer note vii)		January,17,2022	374,523	1367	25%	Equity holding	Not Applicable	644.57	-	Not Applicable
9	Surance Ltd. (refer note vii)		January,17,2022	317,386	291	25%	Equity holding	Not Applicable	134.37	-	Not Applicable

# This information is based on the year ending of the respective entities.

**PART "C": JOINT VENTURE**

Sr no.	Name of the Joint Venture	Latest audited Balance Sheet Date	Date on which the Joint Venture was associated or acquired	Shares of Joint Venture held by the company on the year end No. of Shares	Amount of Investment in Joint Venture	Extend of Holding %	Description of how there is significant influence	Reason why the Joint Venture is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit / (Loss) for the year Considered in Consolidation	Profit / (Loss) for the year Considered in Not Consolidation
1	SCTM Engineering Corporation	March 31, 2022	December 23, 2020		77.00	50%	Equity holding	Not Applicable	69.04	12.40	Not Applicable

For and on behalf of the Board

Anand G. Mahindra  
Chairman  
(DIN: 00004695)

Place: Mumbai

Date: May 13, 2022

**ENTITIES FORMED/ACQUIRED AND CEASED DURING THE FINANCIAL YEAR 2021-22**
**1. Subsidiaries formed/acquired:**

<b>Sr No.</b>	<b>Name of the Company</b>
1	Begig Private Limited
2	Healthnxt Inc.
3	Digital OnUs, Inc.
4	Tech Mahindra Mexico Cloud Services, S.DE R.L. DE C.V
5	Digital OnUs Technologies Inc.
6	Digitalops Technology Private Limited
7	Tech Mahindra Servicios Ltda
8	Eventus Solutions Group, LLC
9	Eventus Solutions Group UK Limited
10	Tech Mahindra Defence Technologies Limited
11	TM Born Group CR Sociedad de Responsabilidad Limitada
12	Beris Consulting GmbH
13	Lineas Informationstechnik GmbH
14	Infostar LLC
15	We Make Websites Limited
16	We Make Websites Inc
17	Comviva Technologies Americas Inc
18	Brainscale Inc.
19	BrainScale Canada Inc.,
20	Tech Mahindra Limited SPC
21	Activus Connect LLC
22	Activus Connect PR LLC
23	Green Investments LLC
24	Allyis Technology Solutions Sociedad de Responsabilidad Limitada
25	Allyis Technologies S.R.L
26	Allyis, Inc.
27	Allyis Technologies Canada Inc.
28	Allyis India Private Limited
29	COM TEC CO IT LTD
30	CTCo SIA
31	CTDev LLC
32	GEOMATIC.AI PTY LTD

**2. Subsidiaries ceased:****Sr No. Name of the Company**

1	Zen3 Information Technologies Limited
2	Tech Mahindra DRC SARLU
3	Tech Mahindra Healthcare Systems Holdings LLC
4	Tech Mahindra Healthcare LLC
5	Zen3 Infosolutions Inc
6	Target TG Investments Limited
7	Tech Mahindra Netherlands B.V.
8	Oslo Solutions LLC
9	Born Creative Commerce Group Inc.
10	Eventus Solutions Group UK Limited
11	LCC Telekomunikasyon Servis Limited
12	Tech Talenta Inc.,
13	Target Financial Systems Limited
14	Leadcom Integrated Solutions Tchad SARL

**3. Joint Ventures/Associate Companies:****Sr No. Name of the Company****A Formed / Acquired:**

1	SWFT Technologies Limited
2	Surance Ltd.

**B Ceased:**

1	Nil
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For and on behalf of the Board

Place: Mumbai  
Date: May 13, 2022

Anand G. Mahindra  
Chairman  
(DIN: 00004695)

## ANNEXURE III

**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 the Listing Regulations 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 13, 2022

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED March 31, 2022**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Corporate Identification Number: L64200MH1986PLC041370

To,  
The Members,  
Tech Mahindra Limited  
Gateway Building, Apollo Bunder,  
Mumbai – 400001  
Maharashtra INDIA

We 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 us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2022 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the Financial Year ended on March 31, 2022 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) The 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 transactions (except remittances from the overseas employees for ESOP exercise) or External Commercial Borrowing transactions in the Company, during the Audit Period];
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the Audit Period);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as applicable;
  - (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, 2021 (Not applicable to the Company during the Audit Period); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);
- (vi) We further report that having regard to 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.

We 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;
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with 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.

### **We 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.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes were 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 Committee's of the Board as the case may be.

**We 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.

**We further report that** during the audit period, the following specific event / actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc. took place:

In accordance with the provisions of section 230 to 232 and other applicable provisions of the Companies Act, 2013, the Board of Directors of the company on January 29, 2021 approved the scheme of Merger by absorption of Tech Mahindra Business Service Limited and Born Commerce Private Limited subject to the approval of Hon'ble National Company Law Tribunal & other authority. Company's petition is pending before the Hon'ble National Company Law Tribunal & other authority.

For Makarand Lele & Co.  
Company Secretaries

CS Makarand Lele  
Founder

FCS: 3453 CP No. 2074  
UDIN: F003453D000313061  
Peer Review Certificate No. 1299/2021

Date: May 13, 2022  
Place: Pune



**'ANNEXURE A'**

To,  
The Members,  
TECH MAHINDRA LIMITED  
Gateway Building, Apollo Bunder,  
Mumbai - 400001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the 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. Our examination was limited to the verification of procedures on test-check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Makarand Lele & Co.  
Company Secretaries

CS Makarand Lele  
Founder

FCS: 3453 CP No. 2074

UDIN: F003453D000313061

Peer Review Certificate No. 1299/2021

Date: May 13, 2022  
Place: Pune

## ANNEXURE V

**DISCLOSURES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULE 2014.**

1 and 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 and KMPs in the Financial Year :

S No	Name of the Director/KMP	Designation	Ratio of Remuneration of each Director to Median Remuneration of Employees	Percentage increase in Remuneration during FY 2021-22
1	Mr. Anand G. Mahindra	Chairman	23.00	NA
2	Dr. Anish Shah	Non Executive Director	13.65	(6%)
3	Mr. Haigreve Khaitan	Independent Director	13.65	(10%)
4	Mr. Manoj Bhat*	Non Executive Director	32.29	NA
5	Mr. M. Damodaran	Independent Director	14.37	(10%)
6	Dr. Mukti Khaire	Independent Director	15.09	(5%)
7	Ms. M. Rajyalakshmi Rao	Independent Director	13.65	(8%)
8	Ms. Shikha Sharma	Independent Director	15.09	(11%)
9	Mr. T. N. Manoharan	Independent Director	16.53	(8%)
10	Mr. C.P. Gurnani#	Managing Director & Chief Executive Officer	1,188.74	335%
11	Mr. Milind Kulkarni**	Chief Financial Officer		NA
12	Mr. Anil Khatri#	Company Secretary		90%

\* Appointed as Non Executive Director from April 2, 2021, hence increase in percentage of remuneration is not applicable and remuneration includes perquisite value on stock options exercised.

\*\* Joined as a CFO on April 2, 2021, hence increase in percentage of remuneration is not applicable.

# The current year remuneration includes perquisite value on stock options that were granted and vested earlier, but exercised during the year.

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

S No	Name of the Director/KMP	Designation	Ratio of Remuneration of each Director to Median Remuneration of Employees	Percentage increase in Remuneration during FY 2021-22
1	Mr. C.P. Gurnani	Managing Director & Chief Executive Officer	87.65	1%
2	Mr. Manoj Bhat	Non Executive Director	15.09	NA
3	Mr. Anil Khatri	Company Secretary & Compliance Officer	NA	45%

- 
- 3) The median remuneration of employees of the Company : ₹ 0.527 Million during the Financial Year was
- 4) Percentage increase in the median remuneration of : (1.04%) employees in the Financial Year
- 5) Number of permanent employees on the rolls of : 1,04,583 company as at March 31, 2022
- 6) Average percentile increase already made in the : An increase of 5.25% was given to the employees salaries of employees other than the managerial (including employees overseas) during the year under personnel in the last Financial Year and its comparison review as against increase in remuneration of Managerial with the percentile increase in the managerial Personnel of 6.88%. remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration
- If the perquisite value of stock options granted in the earlier years but exercised during the year under review is included as part of the remuneration, the percentage increase in remuneration of Managerial Personnel is 294.74%.
- 7) The key parameters for any variable component of : Executive Directors - Nomination and Remuneration remuneration availed by the Directors Committee determines the variable compensation annually based on their individual and organisation performance.
- Non-Executive Directors - Parameters such as responsibilities undertaken, Membership or Chairmanship of the Committees, time spent in carrying out of duties etc.
- 8) Affirmation that the remuneration is as per the : Yes remuneration policy of the Company
- 

For and on behalf of the Board

Anand G. Mahindra  
Chairman  
(DIN: 00004695)

Place: Mumbai  
Date: May 13, 2022

## ANNEXURE VI

**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 proviso thereto

**1 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.			

**2 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.	Wholly Owned Subsidiary	Revenue	April 2021- March 2022	1,066	0%	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		80,387	18%		
		Reimbursement of Expenses (Net)- Paid/ (received)			129	0%		
			Dividend Income		-	0%		

For and on behalf of the Board

Place: Mumbai  
Date: May 13, 2022

Anand G. Mahindra  
Chairman  
(DIN: 00004695)

**ANNEXURE VII**

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

**A) CONSERVATION OF ENERGY**

Energy consumption within the organization is mainly through grid electricity and diesel generators. Energy conservation plays an important role in becoming Net Zero and addressing climate change issues. It is a key element of our Sustainability policy as it helps reduce our overall energy demand, consumption, and costs. We undertake the following measures to conserve energy and protect the environment.

- Redesigning processes, retrofitting equipment, and replacing high-definition components with low emission technological equipment.
- Analyzing energy flows and balances to identify energy waste and inefficiencies.
- Integrating process automation and IoT controls with Building management system to achieve optimum level of energy control and improve air quality.

These Energy Conservational measures help to

- Achieve optimum energy procurement and utilization.
- Minimize energy waste/cost without affecting the quality of services provided.
- Reduce dependency on grid electricity.
- Enhance energy security, reduce GHG emissions and improve environmental protection.

Successful implementation of energy conservational measures also spread awareness amongst employees on energy conservation and advance our Net Zero strategy. The measures we have taken has helped us conserve energy and protect the environment.

1. Even with an increase in associate headcount, energy consumption reduced by 8.27% and

energy intensity by 27.19% per associate in FY22 when compared to FY21, because of effective operational controls, increased renewable energy, efficient equipment sourcing, use of innovative technologies and close monitoring of utilization.

2. Increase in renewable energy sources at the Chennai, Pune and Hyderabad locations generated more than 22.99 Mn units (including savings from Solar Water heaters) of solar power that led to the reduction of 18165 MTCO<sub>2e</sub> GHG emissions this year.
3. Transition towards low-emission technologies resulted in the increase of renewable energy from 1.77% in baseline year 2015-16 to 23.1%.
4. Installation of LEDs, motion sensors and efficient VRV and HVACs saved 8.02 Mn units of energy and 6599+ MTCO<sub>2e</sub> GHG emissions.
5. Green Building certification covers 31% of our facilities at Bangalore, Pune and Chennai. 5% decrease in energy consumption by implementing Green Building practices.
6. Conducted energy simulations and use of automatic sensors, integrated with lighting and aircon units to conserve energy.
7. Teleconferencing and video conferencing systems set up to enable virtual meetings, to reduce emissions through business travel.
8. Conserved energy through data centres consolidation, adopting air flow management techniques, server virtualization and use of modular energy efficient equipment for data centre designs. Natural and adiabatic cooling methods used to increase energy efficiency. Eco design approach and practices reduce energy consumption.
9. New buildings designed as per efficiency standards and low emission technology.

10. Conducted consolidation and rationalization of UPS infrastructure; e integrated Building Management Systems to improve energy efficiency.
11. Energy efficient 'Dark mode' external website reduces carbon footprints.

## B) TECHNOLOGY ABSORPTION

### (I) & (II) THE EFFORTS MADE BY YOUR COMPANY TOWARDS TECHNOLOGY ABSORPTION AND THE BENEFITS IN DIFFERENT SEGMENTS ARE GIVEN BELOW:

With accelerated uptake on Digital Transformation as business driver, growth is observed on the transformation of the core driven by maturing Cloud and Platforms as-a-service delivery models. Considering the demand, we have charted the full spectrum of technologies, continued to invest in the best-in-class competencies and launched skill transformation initiatives for our associates. Particularly in the new-normal, technology has emerged as a clear enabler for resilience, recovery and re-imagination of businesses for the future, considering the opportunity. We have strengthened our Go-to-market efforts by setting up a **Digital Transformation Office (DTO)** and the digital go-to-market aligned to **business themes** that has helped us scale digital in existing and new customer bases. Listed below are the business led themes, aligned with our NXT.NOW philosophy, to deliver the future to our customers at lightning speed.

- **Strategy and Design:** Define digital strategy, design products, services, business models and processes, and create a roadmap for seamless execution.
- **Digital Customer:** Enable powerful brand experiences by bringing together behavior design, service design, process reimagination physical design, content, creative, commerce and marketing technologies.
- **Responsive Enterprise:** Enabling enterprises to be more responsive to change - end-to-end business and technology operations to enhance efficiencies, leveraging process optimization, automation and cognitive technologies.

- **Into the NXT:** Discovering new horizons for business with new age technologies. Adopt collaborative disruption with clients, partners, startups and academia.
- **Digital Insights:** Leveraging insights for competitive advantage and operational excellence.
- **Intelligent Core:** Building a strong technology core that brings business agility by adopting cutting-edge technology frameworks and software delivery methodologies

We also launched our framework for holistic transformations called RADIQAL that underpins design thinking mindset powered by R-Reality, A-Artificial Intelligence, D-Distributed Ledger, I-Internet of Things, Q-Quantum Computing and ALL powered by 5G.

With acquisitions namely Mad\*Pow, BORN, Zen3, DigitalOnUs, Momenton, Tenzing etc. we have strengthened our Digital Consulting, Advisory, Design and Platform capabilities and augmented the approach to customer experience in the Phygital world and agile way of delivering transformation. To further accelerate these business led Digital themes, we continue to invest into the competencies like Blockchain, 5G, AI/Automation, Cyber Security, New age Delivery and our flag-ship Innovation powerhouse called Makers Labs.

## BLOCKCHAIN

Tech Mahindra has sustained its leadership position in the Global Blockchain industry and continues to be at the forefront in architecting industry-wide transformations, re-imagining customer experience and changing paradigms of customer security. Globally, we have completed several successful Blockchain implementations especially across the BFSI, Manufacturing, Retail, Healthcare, Oil and Gas and Telecom verticals over the course of last 12 months that have been truly disruptive in nature and resulted in unlocking significant business value across our clients' businesses. We have launched several cutting-edge platforms for Non-Fungible Tokens (NFT), Vaccine Track and Trace and Digital Supply Chain that have resulted in opening up of new revenue streams and addition of new client logos for us. Further, we have architected and implemented

several transformative Blockchain projects for global clients during this year, including developing an NFT Marketplace for an award-winning global agency focused on enterprise, commerce and experience design for B2B and B2C customers, asset tracking for one of the Top-10 automajors in the world, sovereign-to-sovereign data sharing platform for the non-ministerial department of UK, digital transformation for a Fortune-500 American multinational supply chain management company among others. We are committed to further investing and monetizing our best-in-class Blockchain Platforms and Accelerators that leads to incremental revenue generating opportunities. A glowing testimony to our sustained position as the service provider of choice in the blockchain industry is 20+ industry awards and recognitions, in addition to our placement as a global blockchain leader by leading analyst firms. We have made it to the coveted Forbes Blockchain 50 list for second consecutive year in 2022 after making the debut in 2021. We were recognized on the basis of our multiple transformative implementations for global clients, platform-based approach, product innovation and a consultative-based approach to serve our global clients. We continue to be the only Indian company and only global IT services company in the list.

### **TechMVerse**

TechMVerse is our recently incubated metaverse practice which will allow us to transform customer experience and deliver real business outcomes by enabling greater interactive and immersive experiences than ever before. It is a combination of our best-in-class software and hardware capabilities to offer a superlative, three-dimensional visual experience to our customers. Our uniquely differentiated offering is focused on solving complex business problems and driving monetization across our customers' businesses through a combination of domain and design expertise across AI, Web3 (Blockchain, NFT, Decentralized Identities), Quantum Computing, 5G, and Digital accelerators. We have adopted a mobile and web-first approach based on augmented and mixed reality that is backed by robust infrastructure with components such as 5G, Wifi, Edge and Hardware combined with Software components like Edge Compute, IoT devices, AI agents and Blockchain to drive the

creator economy. Tech Mahindra's metaverse practice, "TechMVerse" has identified and defined 7 foundational layers that form the building block of the metaverse namely Infrastructure, Human Experience Interface, Software + IOT, Spatial Computing, Creator Economy, Monetization and Experience.

We have conceptualized and developed end-user solutions across all these seven layers that include Creating Metaverse Environments, Avatar-as-a-Service, Blockchain & NFT, Digital Twins, Experience Center (Tech Support), 3D Gaming, 5G & Network Optimization Services, AI Chat bots among others. Our experienced team comprising domain and delivery experts, consultants, AR/VR/XR developers, animators, modelers and riggers bring together several years of experience and commitment in redefining business outcomes for our clients.

### **5G**

Adoption of 5G continues to gain momentum across mobile operators globally. Operators are deploying 5G not only to provide better customer experience enabled by higher speed and lower latency with 5G, but also to transform the network to open cloud native stack to become Digital Service Providers. We also saw increasing adoption of 5G in Enterprises as industry vertical specific use cases became more mature, especially in Manufacturing, Utilities, Oil & Gas, Transportation & Logistics verticals. We had a built a very comprehensive and robust 5G playbook that includes solutions and services offerings for Communication Service Providers (CSPs), Enterprises and Ecosystem (Equipment Manufacturers). We are a key Partner for CSP Industry to help them design, build, Transform and Operate 5G networks to cater growing needs of differentiated customer experience. We had invested in NetOps.ai (a platform for 5G Cloud Orchestration), Digital OSS/BSS, Fully Virtualized Transport Network, AINoF. NXT (AI Enabled Network Operations Platform), 5G enabled Smart Mining, Connected Ports, Industry 4.0 services – all these enabling multiple carriers and enterprises to transform and build new revenue streams sustainably. We further strengthened our alliances and Partnerships with Hyperscalers such as AWS, Google and Microsoft, and launched another 5G Innovation

Center in Seattle, USA to co-innovate and co-develop low latency 5G use-cases. We added more success stories in our repertoire this year including Transforming OSS for Tier-1 North American Carrier, Managed Services for a new Cloud Native Network in Europe, Operating the World's First Cloud Native Network with Tier 1 Carrier in Japan, among others. TechM Network Services led in multiple International Industry bodies such as Linux Foundation, O-RAN Alliance, TM Forum, etc. We are well positioned to be a Trusted Transformation Partner for the CSPs, co-innovating with ecosystem partners, and delivering 5G for Enterprise verticals.

### ARTIFICIAL INTELLIGENCE

AI is pervasive in nature and thus we at TechM are heavily investing in this space. Our Makers labs are investing in areas of Generative AI and application of Quantum computing in AI/ML. We are building new AI platforms and solutions in space of network, 5G, Preventive maintenance, Contact center, self-healing ITOps and many more. Our acquisitions comes with AI enabled assets, for example Geomatic.AI brings an AI assets, which helps industry to maintain Power grids and assets using computer vision based technique on drone based images. Our partner ecosystem is ever enriching with new inclusions of startups, niche players, hyper scalers, academia and Analyst community. As we move forward in transforming business of our clients, we believe, we would be able to bring AI in every element of client's business process thru our wide set of offerings. We help client scale AI in responsible manner to democratize AI.

### INTELLIGENT AUTOMATION

Automation had continued gathering momentum across the Digital Transformations and Business/IT Operations and evolved as a growth level beyond the well-known efficiency track. Technology backbone to support the Automation adoption had been expanding beyond just RPA, Analytics and AI. Practices and platforms around Process/Task mining, Human-in-the-loop, Low-code and No-code platforms, Event Driven architectures and Integration platforms were added to provide increased capabilities for e2e automation. TechM continued to invest in their AQT Framework to respond to these Hyper-automation trends through our IP and Partner platforms.

While AQT continues to be a key lever towards enhancing our service delivery efficiency, it also had become a growth enabler as we help our clients to leverage AQT framework to drive digital transformation in their own organizations. During this year, we consolidated our automation assets onto NAD (#NewAgeDelivery) as our integrated Service Delivery platform. It provides end-to-end Engineering and business services lifecycle management enabling adoption/enforcement of Agile/DevOps behaviors as well as software engineering best practices. Strengthened investments and partnerships, that include some of our recent acquisitions that give us capabilities in enterprise DevOps and Cloud Native Engineering automation services. Automated employee onboarding and lifecycle management processes for our HR Operations across hire-to-retain. Automated threat detection and data leakage prevention processes across our Security and Risk management initiatives. AI Powered Smart Contract management processes to provide reduced cycle time and traceability across our contract management processes. Invoice Processing as a Service: an innovative offering for invoice processing that provides a self-funded "pay-as-you-go" service model. Adoption of our Automation Framework (AQT) has crossed 350+ customers. AQT Proficiency framework, our upskilling/reskilling based change program had enabled 1000+ associates to be certified in various Automation and AI technologies.

### NAD - #NEW AGE DELIVERY

Businesses are transforming at rapid speed to remain relevant and competitive. They need the "New World IT" that is powered with customer data, online sales and marketing, IOT and self-service enabled, intelligence driven Just in Time production, rapid sentiment analysis and fast remediating actions and more. We had continued our investments and adoption of our flagship New Age Delivery (NAD) platform through the year to further address the IT Service delivery challenges posed by COVID. NAD 2.0 is Tech Mahindra's Integrated Platform to accelerate product aligned IT engineering and delivery. NAD 2.0 consolidates Tech Mahindra delivery and automation assets and accelerators, as well as those of our key partners such as Digital.ai, providing seamless end-to-end engineering and business services lifecycle management solution, enabling adoption of



Design thinking, DevSecOps, SRE processes as well as software engineering best practices. NAD modules (PODs) are loosely coupled which enables bundling of the components in plug & play model, providing flexibility to build an event driven and custom solution that integrates and aligns with existing tooling & frameworks. NAD 2.0 services/components are available on a subscription-based model on TechM cloud. NAD 2.0 can also be deployed on customer cloud or on-premise infrastructure. Upskilling Marketplace POD (NAD Learn) had been rolled out across all our associated in TechM, and housed 9000+ curated courses and assessments positively impacting all our Projects across our customers.

### CYBER SECURITY

We provide comprehensive Cyber Security & Risk Management services covering all security domains. We have a robust track record of successfully delivering 900+ large security outsourcing projects across 50+ countries, covering 44% of key strategic accounts within Tech Mahindra. We leverage our continuously evolving shared services delivery capabilities of certified Security SMEs on best of the breed & niche Security Alliance partners solutions. We have Alliance partnerships and global initiatives with key leading top of the line Security Vendors.

Our Security Services are recognized by 10 analyst reports such as Forrester, ISG, Avasant etc, and launched 8 services with key partners such as Microsoft, AWS, Cisco, FireEye etc and are chosen partner of the year by ColorTokens and GoTo. We have launched CISO Advisory Board in last year with security leaders engaged across the globe and focused on Talent uplift through partnership with premium institutions globally.

Our services include End to end Advisory, consulting, implementation, integration, compliance & Managed Security Services (MSSP) in following key areas:

- Holistic security transformation capabilities & specialized offerings in Advanced Threat Management, Application Security, Data Security, Identity & Access Management.
- Cloud, Network, Perimeter and OT/IOT Security services including Secure Access Service Edge (SASE), Micro-segmentation, and Zero-trust.

- Governance, Risk and Compliance Management Services including Risk Management frameworks, Regulatory Risk, Third Party Risk Management (TPRM) and Risk Analytics.

### MAKERS LABS

Makers Lab continued its journey to explore and innovate new areas towards improved man-machine interface and collaboration. Our focus on holistic transformations based on our RADIQUAL framework (R-Reality, A-Artificial Intelligence, D-Distributed Ledger, I-Internet of Things, Q-Quantum Computing and ALL powered by 5G ) had been delivering results. Few examples being:

- We launched Metaverse, and redefined our services aligning to the 7 layers of the Metaverse, and delivered showcase for a Meta Bank, a Dealerverse and a game for e-Racing on the Roblox platform to display our skills.
- Using AI, we identified the molecule which may work against COVID-19, which has opened doors for working with different clients in the Healthcare and Life Sciences domain.
- Use-cases to protect reality using distributed ledgers/Blockchain techniques.
- Our IP Vetturino and eNetra won the Volvo India Innovation Awards, and were also deployed with various automobile clients.
- Building on our work in Post quantum cryptography, we are actively creating a pool of experts to work on these problems of tomorrow which can be solved using the new techniques. Our alignment with the Finland ecosystem opens doors for us to work on this cutting edge technology.

Our Open Innovation culture has found mention in the World Economic forum as a case study for inclusive Innovation. We became more diverse with the inclusion of a borderline autistic person as the head of our gaming practice. BHAML- the tool we created for bridging the digital divide, and enabling anyone to code in their natural language was well appreciated. Further, we launched a meta village which is a digital twin of a village in the interiors of Maharashtra, on the Roblox platform. Here, students from this village

can come and play, as well as learn BHAML and more in the virtual classroom.

- We were also recognized with CSS Corporate Start up Award as Innovation challenger joining the league of 25 world's best in terms of Open Innovation.
- CII 25 most innovative companies of India 2021 This award by DST recognizes us one of the Top 25 Innovative Companies in India.
- Smart Innovator Award by Dynamic CIO Awards.
- VOLVO India Innovation Award for Vetturino and eNetra solutions.
- Mahindra Innovation Award for BHAML.

(iii) The expenditure incurred on Research and Development: ₹ 281.84 Million.

### C) FOREIGN EXCHANGE EARNINGS AND OUTGO

₹ in Million

Earnings in foreign currency	232,698
Foreign Exchange outgo	198,323

For and on behalf of the Board

Anand G. Mahindra

Chairman

(DIN: 00004695)

Place: Mumbai

Date: May 13, 2022

**ANNEXURE VIII**

**ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2021-22**

**1. Brief outline on CSR Policy of the Company.**

Tech Mahindra Limited (TML) is a leading provider of solutions and services in the Information, Communications & Technology industry. TML offers innovative and customer-centric digital experiences, enabling enterprises, associates and the society to Rise. The CSR vision of TML is Empowerment through Education. All social investments of the company are accordingly aligned to the attainment of this overall vision.

The TML has established Tech Mahindra Foundation (TMF) in 2006 and Mahindra Educational Institutions (MEI) in 2013 under Section 25 of Companies Act 1956 (referred to as a Section 8 Company under Companies Act, 2013) of dedicated professionals to carry out its CSR activities. MEI has sponsored Mahindra University which has been notified by the Government of Telangana as per the Telangana State Private Universities (Establishment and Regulation) Act, 2018 “educating future citizens for and of a better world”. TMF has been focusing on implementation of 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>A. School Education:</b> Projects are aimed to improve the quality of school education, through capacity building of all stakeholders, especially teachers, with a special focus on children with disabilities.	
1. ARISE	All Round Improvement in School Education
2. ARISE+	ARISE for children with disabilities
3. Shikshaantar	Training/Capacity building of Government School Teachers

**B. Employability:** 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 seek to benefit school drop-outs, people with disabilities and those unable to go into higher education, with specific focus on women and people with disabilities.

The Projects strive to address the gap between the skilling sector and the industry requirement by providing an end-to-end solution for skill development leading to placements.

A placement rate of 70-75% is achieved annually.

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

**Public Health:** Since FY 2020-21, the Foundation has undertaken significant relief work for those impacted by COVID-19, including distribution of ration kits & medical equipment as well as donating ambulances and oxygen plants to charitable hospitals.

**Mahindra Educational Institutions:** Established institutions of higher education and also sponsored Mahindra University, promoted research and development and collaborated with other renowned institutions to contribute towards the goal of high-quality technical education systems in India.

**Technical Education:** The Mahindra École Centrale (MEC) and the Mahindra University (MU) projects 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.

MU drive a meaningful shift in the way the higher education is provided in diversified streams like Business Management, Design, Architecture, Media, Law, Education, Applied Sciences etc., in addition to high end technical education in both UG and PG programs. The CSR contribution spent on MEI would improve the infrastructure for MU for gaining a competitive technical and diversified education streams and R & D initiatives of the University.

## 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. C. P. Gurnani	Chairman	2	2
2	Mr. Haigreve Khaitan	Member	2	2
3	Ms. M. Rajyalakshmi Rao	Member	2	2
4	Mr. Manoj Bhat#	Member	2	1
5	Dr. Mukti Khaire	Member	2	2

# appointed w.e.f. April 26, 2021

## 3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

A copy of Tech Mahindra's CSR Vision and Policy Document with brief details of the projects is available online at: <https://files.techmahindra.com/static/img/pdf/csr-policy-techm-v3-march2021.pdf>

## 4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Tech Mahindra has been conducting impact assessments for its CSR programs both internally as well as through external agencies. Pursuant to sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has initiated impact assessment of three of its CSR projects (Employability and Education of TMF and Contributions to MEI) through independent agencies. The reports for these are available on <https://insights.techmahindra.com/investors/tmf-iar-fy21-22.pdf> and <https://insights.techmahindra.com/investors/mei-iar-fy21-22.pdf>

## 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding Financial Years (in ₹ Cr.)	Amount required to be set-off for the Financial Year, if any (in ₹ Cr.)
		Nil	

## 6. Average net profit of the company as per section 135(5).

FY 2018-19 ₹ 5,427.3 Crores

FY 2019-20 ₹ 5,332.2 Crores

FY 2020-21 ₹ 5,526.6 Crores

Average Net Profit before tax is ₹ 5,428.7 Crores

7. (a) **Two percent of average net profit of the company as per section 135(5):** ₹ 108.6 Crores (i.e. 2% of ₹ 5,428.7 Crores)
- (b) **Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years:** Nil
- (c) **Amount required to be set off for the Financial Year, if any:** Nil
- (d) **Total CSR obligation for the Financial Year (7a+7b-7c):** ₹ 108.6 Crores
8. (a) **CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year. (₹ in Cr)	Amount Unspent (in ₹ Crores)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
108.6		N.A.		N.A.	

**(b) Details of CSR amount spent against ongoing projects for the Financial Year: NIL**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sr. No. of the Project	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current Financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency

N.A.

**(c) Details of CSR amount spent against other than ongoing projects for the Financial Year:**

Sr. No.	Name of the project	Item from the list of activities in schedule VII of the Act	Local area (Yes/No)	Location of the project	Amount spent for the project	Amount spent for the project for FY 21-22 (₹ in Crore)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through implementing agency		
									State	District
1	Employability	Schedule VII, Item (ii) (promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects)	Yes	Delhi, Chandigarh, Punjab, Telangana, Andhra, Karnataka, Tamil Nadu, W. Bengal, Odisha, Maharashtra, Uttar Pradesh	33.85		No	Tech Mahindra Foundation CSR00001814		
2	Education	Same as above	Yes	Delhi, Chandigarh, Punjab, Telangana, Andhra, Karnataka, Tamil Nadu, W. Bengal, Odisha, Maharashtra, Uttar Pradesh	12.44		No	Tech Mahindra Foundation CSR00001814		
3	Education	Same as above	No	PAN INDIA	62.10		No	Mahindra Educational Institutions CSR00001815		
4	Covid Relief Initiative	Schedule VII Item (i) and (xii) (promoting health care including preventive health care and sanitation, and disaster management)	No	PAN INDIA	0.21		No	Tech Mahindra Foundation CSR00001814		
<b>TOTAL</b>								<b>108.60</b>		

- (d) **Amount spent in Administrative Overheads:** Nil
- (e) **Amount spent on Impact Assessment, if applicable:** Not Applicable
- (f) **Total amount spent for the Financial Year (8b+8c+8d+8e):** ₹ 108.6 Crores
- (g) Excess amount for set off, if any

Sr. No.	Particular	Amount (₹ in Cr.)
(i)	Two percent of average net profit of the company as per section 135(5)	108.6
(ii)	Total amount spent for the Financial Year	108.6
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	0
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0

**9. (a) Details of Unspent CSR amount for the preceding three Financial Years:**

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹ Cr.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding Financial Years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2020-2021	NIL	105.00	N.A.	NIL	N.A.	NIL
2.	2019-2020	NIL	118.11	N.A.	NIL	N.A.	NIL
3.	2018-2019	NIL	90.36	N.A.	NIL	N.A.	NIL
<b>Total</b>			<b>313.47</b>				

**(b) Details of CSR amount spent in the Financial Year for ongoing projects of the preceding Financial Year(s):** NIL

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
N.A.								

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year. (asset-wise details).**

- (a) Date of creation or acquisition of the capital asset(s). March 31, 2022
- (b) Amount of CSR spent for creation or acquisition of capital asset. ₹ 62.10 Crores
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. Mahindra Educational Institutions, Sy. No. 62/1A, Bahadurpally, Jeedimetla, Hyderabad, 500043, Telangana.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). Construction of 450 rooms in Phase I & II hostel blocks, refurbishment to make new schools for Management, Law, Education, Media & Liberal Arts, refurbishment of dormitories, and additional infrastructure for school of Engineering. All located in Sy. No. 62/1A, Bahadurpally, Jeedimetla, Hyderabad, 500 043, Telangana.

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). N.A.**

C. P. Gurnani  
Managing Director & CEO  
Chairman-CSR Committee

For and on behalf of the Board

Place: Mumbai  
Date: May 13, 2022

Anand G. Mahindra  
Chairman  
(DIN: 00004695)



## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L64200MH1986PLC041370
2	Name of the Listed Entity	Tech Mahindra Limited
3	Year of incorporation-	1986
4	Registered office address	Gateway Building, Apollo Bunder, Mumbai – 400 001. Tel: +91 22-2289-5500
5	Corporate address	Plot No. 1, Phase - III, Rajiv Gandhi Infotech Park, Hinjewadi, Pune 411 057, (Maharashtra) INDIA
6	E-mail	investor.relations@techmahindra.com; CorporateSustainability@techmahindra.com
7	Telephone	+9120-42250000
8	Website	www.techmahindra.com
9	Financial Year for which reporting is being done	FY 21-22 (April 01, 2021 - March 31, 2022)
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE); BSE Ltd (formerly Bombay Stock Exchange)
11	Paid-up Capital (INR)	₹ 4,859.17 Million
12	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Name: Sandeep Chandna Designation: Chief Sustainability Officer Phone: 09810314114, E-mail id: sandeepch@TechMahindra.com; CorporateSustainability@techmahindra.com
13	Reporting boundary	Tech Mahindra Limited + Integrated companies

#### II. Products/services

##### 14 Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Information Technology – Software and Services	IT consulting, Software application development and maintenance.	100

##### 15 Products/Services sold by the entity

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	IT consulting, Software application development and maintenance.	62099	87.56 %
2	Business Process Services and Operations	82200	12.44%

#### III. Operations

##### 16 Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of offices
National	45
International	126

**17 Markets served by the entity:****a. Number of locations**

Locations	Number
National (No. of States)	11
International (No. of Countries)	50

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

The contribution of exports as a percentage of total turnover of Tech Mahindra is 93.7%.

**c. A brief on types of customers:**

Tech Mahindra has customers from Communication, Media and Entertainment, Manufacturing, Technology, BFSI, Retail, Transport and Logistics.

Please refer to pages 13-15 for more details

**IV. Employees****18 Details as at the end of March 31, 2022:****a. Employees (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female		Not Declared	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (F)	% (F / A)
1	Permanent (D)	112654	74647	66.26	37950	33.69	57	0.05
2	Other than Permanent (E)	12836	8009	62.39	4824	37.58	3	0.02
3	Total employees (D + E)	125490	82656	65.87	42774	34.09	60	0.05

NOTE: The employee head count represents employees of the company, subsidiaries and the acquired entities which are integrated by FY 2022

**b. Differently abled Employees**

It is completely voluntary for the associates to declare their disability status and the number of PwD associates shown here are those who have declared their disability. So, this data represents a subset of Total PwD associates currently working with TechM.

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	182	146	80.22	36	19.78
2.	Other than Permanent (E)	25	18	72	7	28
3.	Total differently abled employees (D + E)	207	164	79.23	43	20.77

**19 Participation/Inclusion/Representation of women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	3	30
Key Management Personnel	3	0	0

**20 Turnover rate for permanent employees**

	FY 21-22			FY 20-21			FY 19-20		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	23.1%	24.6%	23.5%	13.3%	13.4%	13.3%	18.3%	21.6%	19.2%

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**

**21 (a) Names of holding / subsidiary / associate companies / joint ventures**

Our policies on Code of Conduct and Corporate Governance and the principles of BRSR are followed across all Tech Mahindra Limited entities including the 40 wholly owned subsidiaries of Tech Mahindra Ltd.

Please refer to pages 233 for details of our holdings, subsidiaries, and associate companies (including Joint ventures)

**VI. CSR Details**

<b>22</b>	(i)	Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
	(i)	Turnover (in ₹) ₹ 347,261.26 Million
	(ii)	Net worth (in ₹) ₹ 240,105.52 Million

**VII. Transparency and Disclosures Compliances**

**23 Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)  (If Yes, then provide web-link for grievance redress policy)	FY 21- 22			FY 20-21		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes*	0	0	-	0	0	-
Investors (other than shareholders)		0	0	-	0	0	-
Shareholders		0	0	-	0	0	-
Employees		133	0	-	119	0	-
Customers		1	0	-	0	0	-
Value Chain Partners		0	0	-	0	0	-
Social media connects		215**	0	-	215**#	0	-

\*Please find here the policy which details the grievance redressal mechanism available for all our stakeholders. [https://insights.techmahindra.com/investors/WhistleBlower\\_Policy.pdf](https://insights.techmahindra.com/investors/WhistleBlower_Policy.pdf)

\*\* Coincidentally, fake job offers complaints in both years were same

# Cases reported in the FY 20-21 Annual Report were 2275 of which 335 are shown in the table above. Break-up of the balance 1940 cases are - Social media job offers (1414), non-CEBC (423) and complaints reported to M&M (103 redressed to M&M). Post new requirements, these have now been segregated.

**24 Overview of the entity’s material responsible business conduct issues**

**Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications.**

Please refer to pages 63 for all details on Material issues and their Risks/ opportunities

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent, and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

	P1	P2	P3	P3	P3	P6	P7	P8	P9
Disclosure Questions	Ethics & Transparency	Sustainable Services	Human Resources Well-being	Responsive to Stakeholders	Respect for Human Rights	Protect Environment	Public Policy Advocacy	Inclusive growth	Customer Engagement

### Policy and management processes

1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes, Tech Mahindra policies cover each principle and its core elements of the NGRBCs
b. Has the policy been approved by the Board? (Yes/No)	Yes. The Business Responsibility Policy covering the above-mentioned principles has been approved by the Board. Individual policies for each principle are approved by the respective Unit Heads
c. Web Link of the Policies, if available	All Tech Mahindra policies aligned to the 9 Principles are uploaded on the BMS site on the intranet for the information and implementation by the internal stakeholders. They are also publicly available on the Tech Mahindra website <a href="https://www.techmahindra.com/en-in/investors/corporate-governance/">https://www.techmahindra.com/en-in/investors/corporate-governance/</a> <a href="https://www.techmahindra.com/en-in/sustainability/">https://www.techmahindra.com/en-in/sustainability/</a> Tech Mahindra Limited CSR Policy (techmahindrafoundation.org)
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes, all our policies are effectively implemented, and our processes are monitored, reviewed, and updated periodically
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, the TechM <u>CEBC policy</u> includes most of the BRSR principles and we expect all our stakeholders to adhere to this policy including our value chain partners. We also have a separate <u>SSCM Code of Conduct policy</u> for our suppliers
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Tech Mahindra follows all mandatory applicable geographical specific Acts, Regulations & Guidelines while formulating policies & procedures. Adherence with zero tolerance towards the National Guidelines on Responsible Business Conduct (NGRBC), based on the UN Guiding Principles for Business and Human Rights (UNGPs), UN Sustainable Development Goals (SDGs), Paris Agreement on Climate Change, Core Conventions of the International Labour Organization (ILO) and the Indian Companies' Act 2013. We have also mapped and aligned the principles to GRI Standards, and IIRC, TCFD, and SASB framework Some of our locations are certified for EMS ISO 14001 and OHS ISO 45001. In addition, guidelines of ISO 14001 and 45001 are implemented across other facilities. We have also obtained LEED and Green Building Certification for some of our facilities where the location is more than 3.7 Mn sq. ft. In case of new facilities or while upgrading older infrastructure, we consider the Green building guidelines.. We also have ISO 9001 for Quality Management, ISO 27001 for Information Security, ISO 22301 Business Continuity, and ISO 27701 for Privacy Management.

	P1	P2	P3	P3	P3	P6	P7	P8	P9
Disclosure Questions	Ethics & Transparency	Sustainable Services	Human Resources Well-being	Responsive to Stakeholders	Respect for Human Rights	Protect Environment	Public Policy Advocacy	Inclusive growth	Customer Engagement
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Tech Mahindra has committed to a <u>5-year ESG Roadmap</u> , which takes us on a journey towards becoming Carbon Neutral by 2030 and Net-zero much before 2040. We are a signatory to Business Ambition of 1.5-degree and 1.5-degree Supply Chain by ERI (Exponential Roadmap Initiative) to drive innovation and move towards decarbonisation.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Tech Mahindra has taken 5-year targets on all material aspects of Sustainability and we ensure that these are implemented, monitored, and achieved in the planned time frames. Please refer to page number 67 for the details on our targets								
<b>Governance, leadership and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	Please find our CEO and MD's message on pages 18-20								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Sandeep Chandna Designation: Chief Sustainability Officer Phone: 09810314114, E-mail id: sandeepch@TechMahindra.com; CorporateSustainability@techmahindra.com								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes- the CSR Committee and the Risk Management Committee of the Board monitor assess and review climate and sustainability risks in alignment with TCFD recommendations along with other enterprise-level strategic, business and people risks each quarter. Please find more details on pages 56								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)
Performance against above policies and follow-up action	Board Committees and respective Unit Heads	Quarterly or on a need-to basis
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Board Committees and respective Unit Heads	Quarterly or on a need-to basis

11. **Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**

Our Integrated Annual Report is assured by third party (KPMG) according to ISAE 3000 (revised) standards and based on GRI Reporting Standards framework. It is aligned to IIRC, TCFD, and SASB framework. KPMG has evaluated the working of policies and procedures according to the GRI standards and given us assurance on the same.

We have also got HR assessments done by TUV-Nord and Zero Waste to Landfill assessments by Eurofins

12. **If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:** Not Applicable

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

### PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

#### Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the Financial Year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	<ol style="list-style-type: none"> <li>1. Review Strategic Investments / Mergers/ Acquisitions for offering a sustainable service</li> <li>2. Business Updates, New Business Strategies, Business Models, Industry Outlook, Competitive environment</li> <li>3. Review Industry, Geographical and Organisation Risks and mitigation thereto</li> <li>4. Internal Audit &amp; Internal Financial Controls</li> <li>5. Regulatory Updates, Amendments to SEBI LODR, SEBI Insider Trading Regulations</li> </ol>	100%
Key Managerial Personnel	2	ALL	100%
Employees other than BoD and KMPs	8500+	ALL	92.4%

- All associates have to complete the Code of Ethical Business Conduct and other mandatory trainings which cover all principles of BRSR.
- Awareness programmes for the Board and the KPMs ensure that they are familiar with all principles of the BRSR

2. **Details of fines / penalties/punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the Financial Year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

No such instances

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed**

Not Applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Tech Mahindra has a policy on Anti-corruption and Bribery, detailing our zero- tolerance approach to bribery and corruption. The Anti-Corruption and Bribery Policy applies to all the associates of Tech Mahindra and the subsidiary companies. TechM is committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and to implementing and enforcing effective systems to counter bribery.

<https://insights.techmahindra.com/investors/Anti-Corruption-and-Bribery-Policy.pdf>

**5. Number of Directors/KMPs/employees against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

There has been no disciplinary action taken by any law enforcement agency for charges of bribery/corruption against any Directors, KMPs or employees in FY 21-22 or FY 20-21

**6. Details of complaints with regard to conflict of interest**

There have been no complaints received in relation to issues of Conflict of Interest of the Directors or KMPs in FY 21-22 or FY 20-21

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

**Leadership Indicators**

**1. Awareness programmes conducted for value chain partners on any of the Principles during the Financial Year**

Value Chain partners	Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Suppliers	2	<ul style="list-style-type: none"> <li>Environmental Stewardship</li> <li>Reduction of Carbon Footprint</li> <li>Sustainability in the value chain</li> <li>Code of conduct policy</li> <li>Health and Safety</li> </ul>	82

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the board? (Yes/No) If yes, provide details of the same.**

Yes. The Board of Directors of Tech Mahindra has adopted the Code of Ethical Business Conduct as a testimony of its commitment to adhere to the standards of loyalty, honesty, integrity and to avoid any kind of conflicts of interest. The policies and procedures under this code requires that the Directors of Tech Mahindra shall avoid any activity or association that creates or appears to create a conflict between the personal interests of the Directors and the business interests of the company.

This policy is available on the Tech Mahindra website

<https://insights.techmahindra.com/investors/Code-Of-Ethical-Business-Conduct.pdf>

## PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

### Essential Indicators

#### 1) Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 21-22	FY20-21	Details of improvements in environmental and social impacts
R&D	30%	30%	<ul style="list-style-type: none"> <li>Response to Pandemic- People's Healthcare Registry; Research on protein comparative analysis; Finding therapeutic molecule acting against COVID-19; Molecular Modelling and Screening for Repurposing Drugs for the Treatment of COVID-19</li> <li>Panchang (Indian Almanac): Intelligence for Long term Weather Prediction</li> <li>Atmanirbhar Krishi App: Help framers with farming related data from respective government departments</li> <li>ENetra: In-house IoT device for energy management</li> <li>BHaML (Bharat Markup Language): Language for teaching schoolchildren to code in their mother tongue</li> <li>E- dressing Suite</li> <li>Green Investment in low emission technologies, renewable energy and resource efficiency</li> <li>Investments in water sensors, sewage treatment plants, rainwater harvesting plants and water restrictors</li> </ul>
CAPEX	1.87%	2.53%	

#### 2. a. Does the entity have procedures in place for sustainable sourcing?

Yes

#### b. If yes, what percentage of inputs were sourced sustainably?

Tech Mahindra has a Sustainable Supply Chain Management Policy (<https://files.techmahindra.com/static/img/pdf/Sustainable-Supply-Chain-Management-Policy.pdf>) and a Green Procurement policy, to ensure a more sustainable supply chain. Tech Mahindra prefers suppliers with sustainable practices and ability to supply items within desired sustainability specifications. 90% of inputs are sourced sustainably.

Please find more details on pages 174

#### 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Tech Mahindra is not a product company but a provider of digital transformation, consulting and business reengineering services and solutions. We make reasonable efforts to keep track of all the products used and have implemented a robust waste management system of collection, segregation, storage, and disposal. We have processes for management of both hazardous and nonhazardous waste and make sure that all the waste generated from our activities is reused, repurposed, or recycled through authorized recyclers and vendors. We recycle wastewater through treatment plants and reuse it for our internal operations.

Please refer for more details on pages 187 and in our [Waste Management Policy](#) on our website

#### 4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?

Not applicable



### Leadership Indicators

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any its services? If yes, provide details in the following format?**

Yes, Tech Mahindra conducts Life Cycle Assessments (LCA) on our internal operations to reduce emissions and minimize environmental impact.

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Tech Mahindra is a Software Service Company, and we don't produce any products. We conduct LCA of our internal operations. There are no significant adverse impacts/risks to the environment in the Financial Year 21-22.

**3. Percentage of recycled or reused input material to total material (by value) used in providing services.**

Indicate Input material	Recycled or reused material to total material	
	FY 21-22	FY 20-21
Paper	100%	100%
Electronic Equipment & Hardware	6.22%	7.08%

**PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains**

### Essential Indicators

**1. Details of measures for the well-being of employees:**

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	74647	74647	100	74647	100	-	-	74647	100	74647	100
Female	37950	37950	100	37950	100	37950	100	-	-	37950	100
Not Declared	57	57	100	57	100	57*	100	57*		57	100
<b>Total</b>	<b>112654</b>	<b>112654</b>	<b>100</b>	<b>112654</b>	<b>100</b>	<b>112654</b>	<b>100</b>	<b>112654</b>	<b>100</b>	<b>112654</b>	<b>100</b>
<b>Other than Permanent employees</b>											
Male	8009	4043	50.50	4043	50	-	-	4043	50	4043	50.50
Female	4824	3570	74	3570	74	3570	74	-	-	3570	74
Not declared	3	2	66.70	2	67	2	66.67	2	67	2	66.70
<b>Total</b>	<b>12836</b>	<b>7615</b>	<b>59.30</b>	<b>7615</b>	<b>59</b>	<b>7615</b>	<b>59.33</b>	<b>7615</b>	<b>59</b>	<b>7615</b>	<b>59.30</b>

\* based on the individual's choice

## 2. Details of retirement benefits, for Current FY and Previous Financial Year.

	FY 21-22		FY 20-21	
	No. of employees covered as a % of total employees	Deducted and deposited with the authority	No. of employees covered as a % of total employees	Deducted and deposited with the authority
PF	100%	Y	100%	Y
Gratuity	100%	Y	100%	Y
Employee State Insurance (ESI)	21%	Y	19%	Y

## 3. Accessibility of workplaces

**Are the premises / offices of the entity accessible to differently abled employees as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

The Company infrastructure is so enabled that associates with disabilities have a barrier-free access to common facilities. This includes not only physical environment and transportation but also to information and communications with technologies and systems also aligned for persons with disabilities

## 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Tech Mahindra is an Equal Opportunity Employer and strongly endorses the right of equal opportunity for associates who are differently abled. We commit to carrying out the provisions of the Rights of Persons with Disabilities Act, 2016 ("Act") in letter and spirit including providing specific opportunities in identified positions where they could be employed.

<https://insights.techmahindra.com/investors/Diversity-and-Inclusion-Policy.pdf>

## 5. Return to work and Retention rates of permanent employees that took parental leave.

Gender	Permanent Employees	
	Return to work rate	Retention rate
Male	99.9%	72.6%
Female	98.0%	61.6%
Total	99.2%	68.6%

## 6. Is there a mechanism available to receive and redress grievances for the following categories of employees? If yes, give details of the mechanism in brief.

All stakeholders (investors, associates- including permanent and on contract, customers, and suppliers/vendors) can raise grievances or complaints with the Corporate Ombudsman, by either sending an e-mail to CORPORATEOMBUDSMAN@techmahindra.com or reporting verbally on telephone no. 0120-488-4450. The complete process of raising such concerns is detailed in these policies.

[https://insights.techmahindra.com/investors/WhistleBlower\\_Policy.pdf](https://insights.techmahindra.com/investors/WhistleBlower_Policy.pdf)

<https://insights.techmahindra.com/investors/Code-Of-Ethical-Business-Conduct.pdf>

We also have Freevoice, a platform for sharing observations, complaints and suggestions, where associates can post their concerns anonymously and they are addressed and resolved by the respective stakeholders within specified timelines.

## 7. Membership of employees in association(s) or Unions recognised by the listed entity:

Freedom of association is a basic human right. All our associates have the freedom and right to join any associations, unions, or groups that exist in line with local government regulations. TechM recognises the right to freedom of association through independent Trade Unions, Work Councils (WCs) or Collective Bargaining Agreements (CBAs).

As an IT organisation, our associates are not part of any trade Unions in India. However, associates have readily available internal tools for associates to share their views, opinions and ideas across managerial levels and the organization. These inputs help the organization redefine policies, strengthen people practices and enhance employee experiences. Tech Mahindra follows the local rules and regulations in the country of our operations and adheres to these collective bargaining agreements in certain geographies where it is mandated by the law.

	FY 21-22			FY 20-21		
	Total employees (A)*	No. of employees' part of association(s) or Union (B)	% (B/A)	Total employees (A)	No. of employees' part of association(s) or Union (B)	% (B/A)
Total	125490	1147	0.91	99607	1004	1.01
Male	82716	934	1.13	67978	852	1.25
Female	42774	213	0.5	31629	152	0.48

## 8. Details of training given to employees

Category	FY 21-22			FY 20-21		
	On Skill upgradation			On Skill upgradation		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Male	82656	76282	92%	67947	61536	91%
Female	42774	39599	93%	31629	28603	90%
Neutral	60	31	52%	31	2	6%
Total	125490	115912	92%	99607	90141	90%

We conduct mandatory trainings on H&S for Contract staff periodically in HSE certified locations. We have HSE certification training for Corporate Services associates who handle the core operations for Tech Mahindra. Regular Fire drills and other safety measures are practiced at Tech Mahindra where associates are trained to Learn, Understand and Act in case of emergencies such as 'Fire Emergency' or 'Fire Emergency' whilst also protecting themselves and their colleagues.

Wellness is an individual choice and so it is up to associates to enhance or address any facet of their well-being. Multi-dimensional H&S awareness sessions are conducted to educate and spread awareness for associates and their family members.

## 9. Details of performance and career development reviews of employees

100% of eligible permanent associates have been appraised on their performance and career development.

**10. Health and safety management system:****a. Whether an occupational health and safety management system has been implemented by the entity?**

TechM is committed to provide safe and healthy working conditions to all its associates. Tech Mahindra's India facilities in Bengaluru and Hyderabad are certified for ISO 45001 Health & Safety Management standard. Occupational Health and Safety norms laid down in Tech Mahindra's well-defined internal Health, Safety & Environment Policy Manual are followed at all our locations.

Please find more details on pages 119

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Tech Mahindra has a HSE Incident Management process in place for Hazard Identification and Risk Assessment (HIRA). It enables us to identify and contain incidents that may cause an injury to the people or property. The assessment is followed up with documentation of risks and hazards present within our environment, their causes, associated consequences and risk and hazard containment recommendations.

Please find more details on pages 121

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.**

Tech Mahindra has an 'Incident Management Tool' to promote a safety culture within the company. IMT, our online portal is designed to help associates report Health or Safety hazard/risk incidents that may lead to unsafe conditions across the Tech Mahindra facilities. All the associates are encouraged to report any incidents to prevent their occurrence in future.

We have also launched a Behaviour Based Safety & Health (BBS&H) programme in line with HSE policy to ensure safe and healthy working conditions for associates.

Please refer to pages 123 for more details

**d. Do the employees of the entity have access to non-occupational medical and healthcare services?**

Yes, we strongly believe in the "Wellness before Business" mantra and our focus is on ensuring the well-being and safety of associates while maintaining business continuity for clients and partner ecosystem.

Our ongoing partnership with Medi Assist and others helped the smooth transition to virtual wellness services which are accessible via internal wellness portal/app for associates & their dependents. Medi Buddy Healthcare provides a multitude of wellness offerings, details of which can be referred to on pages 119

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 21-22	FY 20-21
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)			
Total recordable work-related injuries	Employees	Nil	Nil
No. of fatalities			
High consequence work-related injury or ill-health (excluding fatalities)			

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace**

Tech Mahindra is committed to providing healthy and safe working conditions to all associates. Our Health and Safety Committee ensures establishment, implementation, maintenance, and continual improvement of processes needed for the elimination of hazards and minimisation of risks.

TechM has a Behaviour Based Safety & Health (BBS&H) programme in line with HSE policy to ensure safe and healthy working conditions for associates and ensure awareness amongst associates through training, communication & performance measurement of identified HSE criteria.

Tech Mahindra also has a HSE Incident Management process in place for Hazard Identification and Risk Assessment (HIRA). It enables the associates to identify and contain incidents that may cause an injury to the people or property. The assessment is followed up with documentation of risks and hazards present within our environment, their causes, associated consequences and risk and hazard containment recommendations.

Please refer to pages 120 for more details

**13. Number of Complaints on the following made by employees**

Tech Mahindra has always prioritized the health, safety and well-being of our associates through establishment, implementation, maintenance and continual improvement of our processes and practices that guarantee a healthy and safe working environment for all our associates.

There were no complaints by our associates concerning working conditions or Health & Safety in FY 21-22 and FY 20-21

**14. Assessments for the year:**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
<b>Health and safety practices</b>	100% of all our offices are assessed internally on all Health and Safety practices. TechM's locations at Bangalore and Hyderabad are annually assessed on ISO 45001-2018 standards for Occupational Health and Safety by an external certifying body.
<b>Working Conditions</b>	100% of all our offices are internally audited on working conditions. The implementation of the practices is also verified during the external audits for ISO 45001:2018 for HSE Certified locations

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

There were no safety-related incidents significant risks / concerns arising from assessments of health & safety practices and working conditions.

Tech Mahindra has processes in place for taking corrective actions if necessary, to eliminate the causes of actual and potential non-conformances or incidents and enforce corrective actions. Tech Mahindra implements and records changes in the documented procedure and the steps are standardized in the relevant operational control procedure to ensure prevention of this incident again.

**Leadership Indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of Employees**

Yes. Tech Mahindra has robust life insurance coverage for all associates across geographies.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

Statutory compliance SME consultants conduct checks and balances of vendors periodically. This ensures that the vendors are compliant with the provisions of the labour laws and deduct deposit statutory dues on time.

**3. Provide the number of employees having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Not Applicable, as there were no high consequence work-related injury / ill-health / fatalities.

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?**

Our learning platforms encourage all associates to upskill, reskill, grow, and leverage their skill currency so that they can manage their career post retirement.

**5. Details on assessment of value chain partners:**

We conduct annual supplier assessments to assess the potential ESG aspects and Disaster Recovery & Business Continuity Planning processes of our Supply Chain. This involves both a questionnaire and on-site inspections which checks their ESG aspects and regulatory compliances including their ethical business conduct and sustainability practices as mandated in our Sustainable Supply Chain Management Policy.

69% of our key suppliers based on top spend, have been assessed on Health and Safety practices, Sexual Harassment, Discrimination at workplace (Working conditions), Child Labour, Forced Labour/Involuntary Labour, Wages, Occupational Health & Safety, Corporate Governance & Ethics, Risk Management, Environment Management, and Biodiversity among other aspects

Please find more details on pages 161

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**  
**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

Tech Mahindra challenges conventional thinking and innovatively uses resources to drive positive changes in the lives of our stakeholders across the world, to enable them to Rise. TechM defines these stakeholders as those individuals, groups of individuals or organizations that affect and/or could be affected by our activities, solutions or services, and associated performance.

Engagement with the stakeholders helps understand their explicit and tacit needs that can influence our strategic and operational decisions. Inputs from stakeholders give us an insight into future outlook and risks.

Tech Mahindra engages with the stakeholders round the year, to maintain healthy, trust-based relationships with them. The management team connects with a diverse range of stakeholders through formal and informal mechanisms. In the reporting year, we engaged with our stakeholders and their inputs were considered in the materiality assessment process.

Please refer to page 60 for the detailed process of identifying them.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

The company engages with the stakeholders around the year to maintain healthy, trust-based relationships with them. Our stakeholders include Employees, Customers, Investors and Shareholders, Partners and Collaborators, Government and Regulators, Academic Institutions, Local Communities, Suppliers and Vendors. Apart from NGOs, Local communities and some of our suppliers/ vendors, none of the other stakeholders are vulnerable or marginalised. The management team connects with a diverse range of stakeholders through formal and informal mechanisms.

Please refer to pages 60 for more details

## Leadership Indicators

### 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Periodic discussion of the Board and its committees with the management and the concerned departments help us identify critical stakeholder concerns and align our priorities with their expectations. The Stakeholder Relationship Committee of the Board provides guidance and oversees the mechanism for addressing grievances and complaints from stakeholders and aligning Stakeholder priorities with TechM's business strategy. The committee reviews associate, vendor, and customer satisfaction survey reports, and oversees the mechanism for addressing stakeholder grievances. The committee also reviews the environmental, health and safety obligations of the company towards the stakeholders. The inputs we receive, influence the creation of appropriate policies and practices that govern responsible business.

### 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics.

Yes, we incorporate the feedback received through continued engagement with stakeholders into our policies & practices. We have prioritized our key material issues accordingly and taken this into account when we plan our ESG targets. Their inputs help us in making strategic and operational decisions. If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

**Environment** – As ESG and climate priorities gain momentum, the inputs, feedback, and suggestions received from customers are incorporated in decision making, strategy development, and the development of an array of green and sustainable solutions to enable customers address their environmental needs and commitments. Our portfolio of sustainability solutions is supporting our customers in their journey towards compliance around climate, energy, water, resource efficiency, sustainable mobility, and waste management.

**Social** – We develop organisation-wide HR initiatives based on the associates' needs and suggestions which is gathered through annual employee surveys, and feedback from other digital engagement platforms and tools. Another key aspect of social is our focus on Diversity, Equity and Inclusion particularly with the definition of the Vision 2024 statement. The earlier vision 2021 was about fostering innovation and that comes from 'diversity of thought'. The new Vision 2024 is about creating a purpose-led company. For being purposeful, it is important to concentrate on the Social aspect that is tightly linked to improvements in Diversity, Equity and inclusion parameters.

**Governance** – Governance is part of TechM's DNA, and it has institutionalized it through a set of Core Values, Code of Conduct, policies and structures like the Corporate Governance Council. The framework is firmly in place to ensure that all governance issues are effectively and transparently addressed, so that the organization continue to do right by its stakeholders. For example, TechM has adopted governance policies for Board of Directors, Key Managerial Personnel & Senior Management appointments, remuneration and evaluation. This focus on succession planning is followed for top leadership as well as middle management with custom-designed technology platforms to enable them.

### 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Feedback received from the local communities by way of direct engagement and third-party impact assessments helps align the orientation of our CSR interventions with the future needs and expectations of the local communities and society at large. The pandemic created an urgent need for allied healthcare professionals, so the TechM Foundation's four Healthcare Academies and seven Healthcare Centers were repurposed to train COVID Care Nurses. With educational institutions shut down, students & teachers witnessed barriers in the form of gaps in digital skills and technology access, so TechM Foundation organized capacity building of government schools/teachers and distributed digital tablets with internet

connections. The extensive isolation amid the lockdown raised issues like an increase in mental health so TechM Foundation started the Mind@Ease™ platform for counselling services.

Please find more details on the TMF site <https://techmahindrafoundation.org/>

## PRINCIPLE 5 Businesses should respect and promote human rights

### Essential Indicators

#### 1. Employees who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 21-22			FY 20-21		
	Current Financial Year			Last Financial Year		
	Total (A)	No. employees (B)	% (B / A)	Total (C)	No. employees (D)	% (D / C)
Permanent	112654	104733	93.00%	93037	86448	92.91
Other than permanent	12836	8902	69.40%	6570	3982	60.6
Total Employees	125490	113635	90.60%	99607	90430	90.78

#### 2. Details of minimum wages paid to employees

All our associates- permanent and non-permanent are paid more than minimum wages as mandated by the local laws and regulations of the countries we operate in.

#### 3. Details of remuneration/salary/wages

	Female		Male	
	Headcount	Median remuneration (INR Lakh)	Headcount	Median remuneration (INR Lakh)
Board of Directors (BoD)	3	79.58	7	79.58
Key Managerial Personnel	0	-	3	192.10
Employees other than BoD and KMP	Senior Management	81	936	58.0
	Middle Management	1,803	11,884	25.5
	Junior Management	10,415	32,358	13.0
	Freshers / Entry Level	30,475	37,478	3.7

\*60 associates have not declared their gender

#### 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes, The Corporate Ombudsman is the focal point responsible for addressing human rights. He can be reached at CORPORATEOMBUDSMAN@techmahindra.com

#### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Stakeholders can raise concerns that relate to actual or suspected violations of the Code of Ethical Business Conduct, including human rights issues and address the complaints / concerns to the CORPORATE OMBUDSMAN either by sending an e-mail to CORPORATEOMBUDSMAN@techmahindra.com or verbally on telephone no. 0120-488- 4450.

In case of a complaint / concern against CORPORATE OMBUDSMAN, the same shall be addressed to the Chairman of the Audit Committee of the Board of Directors.

The detailed process is explained in the publicly available policy.

[https://insights.techmahindra.com/investors/WhistleBlower\\_Policy.pdf](https://insights.techmahindra.com/investors/WhistleBlower_Policy.pdf)



**6. Number of Complaints on the following made by employees:**

	FY 21-22			FY 20-21		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	45	2	The 2 complaints were received in March. The committee will investigate and prepare an enquiry report with recommendations within ninety (90) days	30	2	Closed
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Tech Mahindra aims to provide a safe working environment and prohibits any form of discrimination/harassment or related retaliation against or by any associate. We have policies which intend to prohibit such occurrences and ensure that there are no adverse consequences when an associate reports a complaint on discrimination or harassment

<https://insights.techmahindra.com/investors/Policy-on-Prevention-of-Sexual-Harassment.pdf>

<https://insights.techmahindra.com/investors/Diversity-and-Inclusion-Policy.pdf>

<https://insights.techmahindra.com/investors/Code-Of-Ethical-Business-Conduct.pdf>

[https://insights.techmahindra.com/investors/WhistleBlower\\_Policy.pdf](https://insights.techmahindra.com/investors/WhistleBlower_Policy.pdf)

**8. Do human rights requirements form part of your business agreements and contracts?**

Yes. Tech Mahindra communicates and shares our policies on human rights among others, with all our business partners. We ensure that our business partners sign the contract with Tech Mahindra only after they read, understand, and agree to abide by our Code of Conduct which includes all aspects of human rights in it. This is a mandatory annexure to all our business contracts.

**9. Assessments for the year:**

Tech Mahindra conducts regular internal assessments and audits to ensure that there has been no adverse human rights impact on any of our stakeholders.

Our Integrated Annual Report is assured by third party (KPMG) according to ISAE 3000 (revised) standards and based on GRI Standards framework. It is aligned to IIRC, TCFD, and SASB Frameworks. KPMG has evaluated the working of policies and procedures according to the GRI standards and given us assurance on the same.

We also conduct 3<sup>rd</sup> party Human Rights assessments every year at different locations using SA8000:2014 and GRI standards. Though the sample data is taken from individual campuses, all our policies and process and data are aligned and reflect the status of the entire organisation. We will have all our campuses assessed by a 3<sup>rd</sup> party by FY26.

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labour	
Forced/involuntary labour	
Sexual harassment	100%
Discrimination at workplace	
Wages	

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above**

There were no significant risks / concerns arising from the assessments done.

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

Even though there were no human rights complaints, we monitor, review and update our policies and processes regularly to ensure we have no human rights issues in Tech Mahindra

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

Tech Mahindra conducts regular internal assessments and audits to ensure that there has been no adverse human rights impact on any of our stakeholders.

We also conduct 3<sup>rd</sup> party Human Rights assessments every year at different locations using SA8000:2014 and GRI standards. Though the sample data is taken from individual campuses, all our policies and process and data are aligned and reflect the status of the entire organisation. We will have all our campuses assessed by a 3<sup>rd</sup> party by FY 26.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

The Company infrastructure is so enabled that associates with disabilities have a barrier-free access to common facilities which include not only physical environment and transportation but also to information and communications with technologies and systems aligned for persons with disabilities

Please refer to our Diversity and Inclusivity Policy [here](#)

**4. Details on assessment of value chain partners:**

We conduct annual supplier assessments to assess the potential ESG aspects and Disaster Recovery & Business Continuity Planning processes of our Supply Chain. This involves both a questionnaire and on-site inspections which checks their ESG aspects and regulatory compliances including their ethical business conduct and sustainability practices as mandated in our Sustainable Supply Chain Management Policy.

69% of value chain partners (by value of business done with such partners) and 137 of top 200 key suppliers have been assessed on Health and Safety practices, Sexual Harassment, Discrimination at workplace (Working conditions), Child Labour, Forced Labour/Involuntary Labour, Wages, Occupational Health & Safety, Corporate Governance & Ethics, Risk Management, Environment Management, and Biodiversity among other aspects

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**
**Essential Indicators**
**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 21-22	FY 20-21
Total electricity consumption (A) (MWh)	89,543.78	97,887.08
Total fuel consumption (B) (MWh)	3,579.81	4,386.30
Energy consumption through other sources (C) (MWh)	7,157.76	6,204.81
Total energy consumption (A+B+C) (MWh)	100,281.34	108,478.20
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) MWh	0.000000225	0.000000287
Energy intensity (optional) – the relevant metric may be selected by the entity MWh/ Employee Headcount	0.80	1.09

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, KPMG. 49

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India**

We are not registered under PAT scheme of government of India for any of our Pan India locations.

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 21-22	FY 20-21
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(i) Groundwater	187,425.84	175,674.50
(ii) Third party water	290,608.78	314,577.10
(iv) Seawater / desalinated water	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	478,034.62	490,251
Total volume of water consumption (in kilolitres)	355,445.92	357,865
Water intensity per rupee of turnover (Water consumed / turnover)	0.000001071	0.000001295
Water intensity (optional) – the relevant metric may be selected by the entity (kl/employee count)	3.81	4.92

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **Yes, KPMG. 49**

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Tech Mahindra understands the importance of water for our overall business continuity. We have Sewage Treatment Plants (STPs) at all our owned facilities and the wastewater generated is treated and reused for landscaping and flushing toilets in our washrooms. This helps us to reduce our fresh-water requirement and intake. All our owned facilities are thus 'Zero Water Discharge' facilities.

**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Unit	FY 21-22
NOx	tons	3.268
SOx	tons	1.632
Particulate matter (PM)	tons	0.806

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **Yes, KPMG. 49**

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 21-22	FY 20-21
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	8,995.81	7,930.24
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	57,851.87	66,418.66
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO <sub>2</sub> equivalent	0.00000015	0.000000196
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity (Employee Headcount as denominator)		0.53	0.75

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **Yes, KPMG.** on page 49

7. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

Yes, kindly refer page 169 for these details.

8. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 21-22	FY 20-21
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1.88	0.13
E-waste (B)	67.38	58
Bio-medical waste (C)	0.005	0
Construction and demolition waste (D)	0	0
Battery waste (E)	17.7	85.76
Radioactive waste (F)	0	0
Oil waste and filter waste(G)	6.63	4.44
Other Non-hazardous waste generated (H). Please specify, if any. Food waste, cardboard, paper, garbage waste (Break-up by composition i.e. by materials relevant to the sector)	90.57	62.9
<b>Total (A+ B + C + D + E + F + G + H)</b>	<b>184.21</b>	<b>206.81</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	155.39	185.87
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total</b>	<b>155.39</b>	<b>185.87</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	-	-
(ii) Landfilling	28.82	20.94
(iii) Other disposal operations	-	-
<b>Total</b>	<b>28.82</b>	<b>20.94</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **Yes, KPMG.** on page 49

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Tech Mahindra is arduously working towards generating less waste by focusing on the behavioral aspects of waste generation. We ensure that all waste we generate from our own activities is reused, repurposed, or recycled through authorized recyclers and vendors. The waste is segregated, collected, and managed along the principles of circular economy. E-waste is collected and stored as per the guidelines of the E-waste (Management and Handling) Rules, 2011.

Please find more details on pages 188 and in our [Waste Management Policy](#) on our website

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format**

Tech Mahindra does not have operations/offices in/around ecologically sensitive areas where environmental approvals / clearances are required.

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current Financial Year:**

There was no new construction of our own office buildings and hence no environmental impact assessments of projects were undertaken by us

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder**

Tech Mahindra is compliant with all applicable environmental law/ regulations/ guidelines in India

**Leadership Indicators**

**1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

Parameter	FY 21-22	FY 20-21
<b>From renewable sources</b>		
Total electricity consumption (A) MWh	15,836.91	16827.1
Total fuel consumption (B) MWh	0	0
Energy consumption through other sources (C) MWh	7,157.76	6,204.81
<b>Total energy consumed from renewable sources (A+B+C) MWh</b>	<b>22,994.67</b>	<b>23,032</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D) MWh	73,706.86	81,059.95
Total fuel consumption (E) MWh	3,579.81	4,386.3
Energy consumption through other sources (F) MWh	0	0
<b>Total energy consumed from non-renewable sources (D+E+F) MWh</b>	<b>77,286.67</b>	<b>85,446.3</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, KPMG.

## 2. Provide the following details related to water discharged:

Tech Mahindra discharges water only by sending to third parties after relevant treatment.

Parameter	FY 21-22	FY 20-21
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Sent to third-parties	122,588.70	132,385.910
- No treatment	0	0
- With treatment – please specify level of treatment (kiloliters)	122,588.70	132,385.91
<b>Total water discharged (in kilolitres)</b>	<b>122,588.70</b>	<b>132,385.91</b>

We send this water to the Municipal Corporation Sewerage, where it is treated further through treatment plants

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency **Yes, KPMG.**

## 3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) **Name of the area** - Baseline Water Stress (BWS) areas as per Aqueduct Water risk tool (by WRI) are Maharashtra, Tamil Nadu, Telangana, Gujarat, Karnataka, Brussels, Mexico
- (ii) **Nature of operations** - Both Leased and owned locations for IT Services
- (iii) **Water withdrawal, consumption and discharge in the following format:**

Water withdrawal for Tech Mahindra is only from the ground and third parties. We do not use surface water, Seawater / desalinated water or any other sources of water

Parameter	FY 21-22	FY 20-21
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(i) Groundwater	137,669.84	56,833
(ii) Third party water	131,903.89	62,124
(iv) Seawater / desalinated water	0	0
<b>Total volume of water withdrawal (in kilolitres)</b>	<b>269,573.73</b>	<b>118957</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>237,039.43</b>	<b>106116</b>
<b>Water intensity per rupee of turnover</b> (Water consumed / turnover)	<b>0.00000053</b>	<b>0.00000028</b>
Water intensity (optional) – the relevant metric may be selected by the entity	1.89	1.07
<b>Water discharge by destination and level of treatment (in kilolitres)</b> Tech Mahindra discharges water only by sending to third parties after relevant treatment.		
(i) Sent to third parties	32,958	12,841.27
<b>Total water discharged (in kilolitres)</b>	<b>32,958</b>	<b>12841.2722</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **Yes, KPMG.**

**4. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 21-22	FY 20-21
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	222,12.92	16,997
<b>Total Scope 3 emissions per rupee of turnover</b>		0.00000004975	0.0000000445
<b>Total Scope 3 emission intensity (optional)</b> – the relevant metric may be selected by the entity		0.177	0.171

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency **Yes, KPMG.** on page 49

**5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Tech Mahindra does not have operations/offices in/around ecologically sensitive areas where environmental approvals / clearances are required. Our [Biodiversity policy](#) is a habitat directive, a water saving directive, and an environmental Sustainability directive. We are committed to conserve and enhance biodiversity, to incorporate biodiversity into our day-to-day operations and promote sustainable business practices that will not harm any species.

**6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Increase In Renewable Energy	Increased Renewable energy mix from 1.77% in our baseline year FY 15-16 to 22.93% in FY 21-22. Installed Solar water heaters of varying capacities of 2,500, 5,000, 8,000 and 10,000 litres at Bengaluru, Hyderabad, Chandigarh, and Pune facilities	Saved 22.99 Mn units kWh (equal to 69,000 average households in India) reducing 17965 MTCO2e of emissions through use of renewable energy
2.	LEDs	Replaced incandescent lamps with LEDs across locations to cut down energy consumption	Saved 6.42 Mn units of electricity consumption with LEDs saving 5270 MTCO2e of emissions
3.	Motion Sensors	Installed phase-wise Motion sensors to save energy consumption	Saved 1.82 Mn units of electricity consumption through motion sensors, reducing 1500.75 MTCO2e emissions
4.	Sewage Treatment plants	Recycled and treated sewage water in STPs across owned locations and use it for landscaping and toilet flushing- 'Zero Water Discharge' facilities. Helped to reduce freshwater requirement.	Recycled and reused 235,401 kl of wastewater through Sewage Treatment Plants across 11 locations. Rainwater Harvesting plants at 8 of our locations recharged more than 1350 kl of water this year
5.	OWC/Vermicomposting	Installed Organic Waste Converter (OWC) and vermicomposting plants at our campuses to convert food waste to manure which also cuts down logistics emissions and reduces waste to landfill	64% of food waste i.e. 22 tons is converted to manure through vermicomposting and OWC.
6.	Green building initiative	Adopting green building practices for energy consumption and temperature within the offices	Saved 18% of energy consumption by adopting green building initiatives and controls

Please find more details of our initiatives on pages 176 of this report

**7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Tech Mahindra is certified for ISO 22301:2012 and integrates best practices for Business Continuity and Disaster Recovery practices. We have a comprehensive Business Continuity and Disaster Recovery framework, to prevent potential business disruptions in the event of any disaster.

Please refer to pages 90 for more details

**8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

There are no significant adverse impacts to the environment, arising from the value chain. Please find more details on page 172

**9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Tech Mahindra engages and assesses the key suppliers based on our annual market spend. We include both IT and non-IT procurements, which is more than 80% of total supplier expenditure. We have assessed 137 key suppliers till now, on their environmental impacts.

**PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

**1. a. Number of affiliations with trade and industry chambers/ associations**

Tech Mahindra is affiliated with many trade and industry chambers/ associations to ensure a collaborative environment that helps us to access knowledge, build a network, improve our reputation, advertise, educate, market, and lobby the government for policy changes that helps business and the society.

**b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	ASSOCHAM	National
2	FICCI	National
3	CII	National
4	NASSCOM	National
5	Software Technology Parks Of India	National
6	Information Security Forum	National
7	All India Management Association	National
8	Society for Cyberabad Security Council	State
9	Hinjewadi Industries Association	State
10	Hyderabad Software Enterprises Association	State

We are also part of International forums and trade associations like World Economic Forum, The American Chamber of Commerce and UNGC amongst others

**2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities**

There are no orders from regulatory authorities on any issues of anti-competitive conduct.



**Leadership Indicators**

**Details of public policy positions advocated by the entity:**

At Tech Mahindra, our utmost priority is to create value for all members of the TechM ecosystem – our customers, partners, investors, and associates. We do this by setting key objectives across business, technologies, and sustainability, in various geographies even as we focus on people and planet alike. We achieve these objectives through a myriad of ways – one of which involves forging and maintaining purposeful, symbiotic partnerships with our stakeholders, including industry associations, fellow organisations, government representatives, and more.

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current Financial Year.**

There were no new constructions and hence no social impact assessments were undertaken by us

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity**

Rehabilitation and Resettlement is not a focus area for Tech Mahindra Foundation. We work in the areas of education and vocational training and are geared towards improving the quality of education of children and increasing the chances of economic independence through vocational training of the youth <https://techmahindrafoundation.org/>

**3. Describe the mechanisms to receive and redress grievances of the community**

All grievances and complaints can be reported independently to the office of the corporate ombudsman either by sending an e-mail to CORPORATEOMBUDSMAN@techmahindra.com or verbally on telephone no. 0120-488- 4450. The details are explained in the publicly available policy [https://insights.techmahindra.com/investors/WhistleBlower\\_Policy.pdf](https://insights.techmahindra.com/investors/WhistleBlower_Policy.pdf)

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Tech Mahindra being an IT service provider, our major procurement is for IT-related goods and services which are sourced through large multinational OEMs directly or through distributors. However, it is the endeavor of Tech Mahindra to procure locally for requirements in any other areas. We give preference to local/diverse suppliers of goods and services to help better create economic opportunities locally.

	FY 21-22	FY 20-21
Directly sourced from MSMEs/ small producers	0.64%	0.44%
Sourced directly from within the district and neighbouring districts	91%	92%

**Leadership Indicators**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Not applicable

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Not applicable

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

**(b) From which marginalized /vulnerable groups do you procure?**

**(c) What percentage of total procurement (by value) does it constitute?**

Tech Mahindra being an IT service provider, our major procurement is for IT-related goods and services which are sourced through large multinational OEMs directly or through distributors. However, it is the endeavor of Tech Mahindra to procure locally, sustainably and from marginalized /vulnerable suppliers for requirements in any other areas. We give preference to local suppliers of goods and services to help create economic opportunities locally.

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current Financial Year), based on traditional knowledge**

Not Applicable

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Not Applicable

**6. Details of beneficiaries of CSR Projects:**

Please refer to pages 148 for details on TMF beneficiaries for all our projects

**PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner****Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

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 necessary actions required to close these complaints quickly. Our Chief Customer Officer proactively manages all customer escalations, and his contact details are updated on the external Tech Mahindra website <https://www.techmahindra.com/en-in/customer-centricity/> for easy access and connect with all our customers.

Please find more details on pages 136

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about Environmental and social parameters relevant to the product, Safe and responsible usage, Recycling and/or safe disposal**

Tech Mahindra is not a product company but a provider of digital transformation, consulting and business reengineering services and solutions. But we ensure safe and responsible usage of our materials and the recycling and/or safe disposal of our waste- both electronic and otherwise. Tech Mahindra also works with Customers on services which help in advancing their technology transformation roadmap using tools, framework and materials which are safe and recycled.

**3. Number of consumer complaints in respect of the following**

We did not have any consumer complaints with respect of data privacy, advertising, cybersecurity, delivery of essential services, restrictive trade practices, or unfair trade practices.

**4. Details of instances of product recalls on account of safety issues**

Not Applicable, as Tech Mahindra is not a product company

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? If available, provide a web-link of the policy.**

TechM has well defined cyber security framework and policy to govern and manage risks related to data privacy. Extracts of Data Privacy and Protection Policy can be viewed at: <https://insights.techmahindra.com/investors/high-level-customer-centric-extracts-from-data-privacy-and-protection-policy.pdf>

Please refer to pages 85 for more details on cybersecurity.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services**

There were no corrective actions taken or underway on any of the above issues

### Leadership Indicators

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

All pertinent information on our services can be accessed at <https://www.techmahindra.com/>

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services**

Not Applicable, Tech Mahindra delivers IT services and is not a product company

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Tech Mahindra has business continuity management framework and policy designed and documented which is aligned to meet the requirements as per ISO 22301:2019 standards. As per the framework, we have structured the communication at various levels which includes: 1. Internal communication, 2. Customer communication, 3. Associate communication, 4. Event notification, 5. Crisis communication, 6. External communication through Media and Social Media

Seamless and satisfactory resolution of customer downtime in accordance with SLAs during the pandemic has demonstrated our robust disaster recovery and business continuity processes. We have enabled technology-led business continuity processes for many of our customer organisations to enable work from home during COVID-19 that ensured businesses are running via provisioning of remote working. We have managed all our customer operations without any complaints during the pandemic lockdown period. We have Internal Processes, Disaster Recovery and Business Continuity and Security Policies that helped us to resume services at customers' acceptable service levels.

**4. Does the entity display product information on the product over and above what is mandated as per local laws?**

Tech Mahindra is not a product-based company.

**Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole?**

Yes, our customer-centric initiatives include meeting customers pro-actively to understand the pulse on the ground, monitoring customer concerns and measuring customer satisfaction. C-Sat (Customer Satisfaction Survey) is conducted every three months to take customer feedback.

**5. Provide information relating to data breaches**

Tech Mahindra has had no substantiated instances of data breaches in the past 5 years

# 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 towards all its stakeholders. It reflects 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 performance, ownership and governance of the Company is an important part of your Company's corporate governance philosophy.

## 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 6 Independent Directors including 3 Woman Directors, 3 Non-Executive Directors and 1 Executive Director. The Chairman is a Non-Executive Director.

During the financial year 2021-22 four meetings of the Board of Directors were held i.e., on 26<sup>th</sup> & 27<sup>th</sup> April, 2021, 29<sup>th</sup> & 30<sup>th</sup> July, 2021, 23<sup>rd</sup> & 25<sup>th</sup> October, 2021 and 1<sup>st</sup> February, 2022.

- 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, 2022 are given below:

Sr. No.	Name	Category	No. of Board meetings attended	Attendance at the AGM held on July 30, 2021	Directorship in other public Companies <sup>1</sup>	No. of Committee positions held in other public Companies <sup>2</sup>		Directorship in other listed entities (Category of Directorship)
						As Chairman	As Member <sup>6</sup>	
1.	Mr. Anand G. Mahindra	Non-Executive Chairman	4 <sup>3</sup>	Yes	2	0	1	1. Mahindra and Mahindra Limited (Promoter – Non-Executive Non-Independent Director & Chairman)
2.	Mr. C. P. Gurnani	Managing Director & CEO	4 <sup>3</sup>	Yes	1	0	0	1. Mahindra and Mahindra Limited (Non-Executive - Non-Independent Director)
3.	Mr. M. Damodaran <sup>4</sup>	Independent Director	4 <sup>3</sup>	Yes	7	2	5	1. Hero MotoCorp Ltd. (Independent Director) 2. Larsen and Toubro Limited (Independent Director) 3. Biocon Limited (Independent Director) 4. InterGlobe Aviation Limited (Independent Director and Chairman of the Board)
4.	Ms. M. Rajyalakshmi Rao	Independent Director	4 <sup>3</sup>	Yes	1	0	0	-
5.	Mr. T. N. Manoharan	Lead Independent Director	4 <sup>3</sup>	Yes	2	1	1	1. Mahindra and Mahindra Limited (Independent Director) 2. IDBI Bank Limited (Independent Director)
6.	Dr. Mukti Khaire	Independent Director	4 <sup>3</sup>	Yes	-	0	0	-

Sr. No.	Name	Category	No. of Board meetings attended	Attendance at the AGM held on July 30, 2021	Directorship in other public Companies <sup>1</sup>	No. of Committee positions held in other public Companies <sup>2</sup>		Directorship in other listed entities (Category of Directorship)
						As Chairman	As Member <sup>6</sup>	
7.	Ms. Shikha Sharma	Independent Director	4 <sup>3</sup>	Yes	5	0	4	1. Tata Consumer Products Limited (Independent Director) 2. Ambuja Cements Limited (Independent Director) 3. Dr. Reddy's Laboratories Limited (Independent Director) 4. Mahindra and Mahindra Limited (Independent Director) 5. Piramal Enterprises Limited (Non-Executive Non-Independent Director)
8.	Mr. Haigreve Khaitan	Independent Director	4 <sup>3</sup>	Yes	7	3	8	1. Torrent Pharmaceuticals Limited (Independent Director) 2. CEAT Limited (Independent Director) 3. JSW Steel Limited (Independent Director) 4. Inox Leisure Limited (Independent Director) 5. Mahindra and Mahindra Limited (Independent Director) 6. Borosil Renewables Limited (Independent Director)
9.	Dr. Anish Shah	Non-Executive Director	4 <sup>3</sup>	Yes	5	0	2	1. Mahindra and Mahindra Limited (Executive Director) 2. Mahindra and Mahindra Financial Services Limited (Non-Executive Director and Chairman of the Board) 3. Mahindra Lifespace Developers Limited (Non-Executive Director) 4. Mahindra Holidays & Resorts India Limited (Non-Executive Director) 5. Mahindra Logistics Limited (Non-Executive Director, Non Independent, Chairman of the Board)
10.	Mr. Manoj Bhat <sup>5</sup>	Non-Executive Director	4 <sup>3</sup>	Yes	1	0	0	-

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

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

<sup>3</sup> Due to continued COVID-19 Pandemic and relaxations provided by MCA and SEBI, Meetings were held through Video Conference / Other Audio-Visual Means.

<sup>4</sup> Retired as Independent Director w.e.f. March 31, 2022.

<sup>5</sup> Appointed as Director w.e.f. April 2, 2021.

<sup>6</sup> Membership includes Chairmanship position.

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

Details of Director proposed for appointment at the ensuing Annual General Meeting is provided in the notice convening Annual General Meeting.

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

The details of the equity shares of the Company held as at March 31, 2022 by the Non-Executive Directors are given below:

Name of the Director	No. of Equity Shares
Mr. Anand G. Mahindra	1,88,552
Mr. M. Damodaran*	73,675
Ms. M. Rajyalakshmi Rao	0
Mr. T. N. Manoharan	29,387
Dr. Mukti Khaire	0
Ms. Shikha Sharma	0
Mr. Haigreve Khaitan	0
Dr. Anish Shah	0
Mr. Manoj Bhat **	95,222

\* Retired as Independent Director w.e.f. March 31, 2022.

\*\*Appointed as Director w.e.f. April 2, 2021.

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:

<b>Global Business</b>	Understanding of diverse business environment, global dynamics across various geographical markets, industry verticals and regulatory jurisdictions.
<b>Financial Management</b>	Financial Management, capital allocation, resource utilization and assessing economic conditions.
<b>Strategy and Planning, technology</b>	Evaluate long term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments. Anticipating technological trends, create new business models.
<b>Governance</b>	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.
<b>Leadership</b>	Leadership experience for understanding the needs of the organization, risk management systems and succession planning for the organization.
<b>Sustainability</b>	To help organization achieving its goals on the ESG and Sustainability front.
<b>Diversity</b>	Diversity based on gender, culture, beliefs, geographies in the Board helps better decision making by the Board.

The table below expresses the specific areas of focus or expertise of individual Board members. However, absence of a tick mark does not necessarily mean the member does not possess the corresponding skills/ expertise.

Name of director	Global Business	Financial Management	Strategy and Planning, Technology	Governance	Leadership	Sustainability	Diversity
Mr. Anand G. Mahindra	√	√	√	√	√	√	√
Mr. C. P. Gurnani	√	√	√	√	√	√	√
Mr. M. Damodaran*	√	√	√	√	√	√	√
Ms. M. Rajyalakshmi Rao		√	√	√	√	√	√
Mr. T. N. Manoharan	√	√	√	√	√	√	√
Dr. Mukti Khaire	√		√	√	√	√	√
Ms. Shikha Sharma	√	√	√	√	√	√	√
Mr. Haigreve Khaitan	√	√	√	√	√	√	√
Dr. Anish Shah	√	√	√	√	√	√	√
Mr. Manoj Bhat**	√	√	√	√	√	√	√

\* Retired as Independent Director w.e.f. March 31, 2022.

\*\*Appointed as Director w.e.f. April 2, 2021.

### INDEPENDENT DIRECTORS:

Based on the declarations received from the Independent Directors, the Board of Director's 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. The Board of Director's based on the recommendation of Nomination and Remuneration Committee appointed Mr. T. N. Manoharan, Independent Director as the Lead Independent Director w.e.f. April 26, 2021. Independent Directors meet every quarter, without the presence of management team.

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 <https://insights.techmahindra.com/investors/tml-familiarisation-programmes-for-IDs.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. Mr. T. N. Manoharan, Lead Independent Director is the Chairman of the Committee, Mr. M. Damodaran, Ms. M. Rajyalakshmi Rao and Mr. Manoj Bhat are the other members of the Committee. Mr. Manoj Bhat was appointed as member of the committee w.e.f. April 26, 2021. Mr. M. Damodaran ceased to be Member of the Committee consequent to his retirement w.e.f. March 31, 2022.

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 the audit process;
- Statement of significant related party transactions and disclosure of related party transactions;
- Approval or pre-approval 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 and Prevention of Sexual Harassment Policy (POSH).

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

During the year under review, four meetings of the Committee were held i.e., on April 26, 2021, July 29, 2021, October 25, 2021 and January 31, 2022.

Name	Category	Number of Audit Committee meetings attended
Mr. T. N. Manoharan	Chairman, Lead Independent Director	4
Mr. M. Damodaran*	Independent Director	4
Ms. M. Rajyalakshmi Rao	Independent Director	4
Mr. Manoj Bhat**	Non-Executive Director	3

\*Ceased to be a member of the Committee w.e.f. March 31, 2022.

\*\*Appointed as member of the Committee w.e.f. April 26, 2021

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

The Managing Director & CEO, Chief Financial Officer, 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 periodically without the presence of management.

Mr. T. N. Manoharan, the Chairman of the Audit Committee, was present at the Annual General Meeting of the Company held on July 30, 2021.

## b) NOMINATION AND REMUNERATION COMMITTEE

The Nomination and 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. Mr. T. N. Manoharan, Lead Independent Director is the Chairman of the Committee, Dr. Anish Shah, Dr. Mukti Khaire and Ms. Shikha Sharma are the members of the Committee. Dr. Anish Shah was appointed as the member of the Committee w.e.f. April 26, 2021.

The terms of reference to the Nomination and Remuneration Committee inter alia includes:

- 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;
- 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 and Remuneration Committee and particulars of meetings attended by the members are given below:

During the year under review, five meetings of the Committee were held i.e., on April 26, 2021, July 30, 2021, October 23, 2021, January 31, 2022 and March 31, 2022.

Name	Category	Number of Nomination & Remuneration Committee meetings attended
Mr. T. N. Manoharan	Chairman, Lead Independent Director	5
Dr. Anish Shah*	Non-Executive Director	4
Dr. Mukti Khaire	Independent Director	5
Ms. Shikha Sharma	Independent Director	5

\*Appointed as member of the Committee w.e.f. April 26, 2021

The Company Secretary acts as the Secretary to the Committee.

The Managing Director & CEO, Chief People Officer and Chief Financial Officer are the invitees to the meetings of the Committee.

#### Performance Evaluation Criteria for Independent Directors:

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

#### Remuneration of Directors:

The details of remuneration paid to the Directors, including the details of the stock options representing the perquisite value of the options exercised during the Financial Year 2021-22 is as under:

#### A. Non-Executive Director

Name	Commission
Mr. Anand G. Mahindra	12.14
Dr. Anish Shah	7.21
Mr. Haigreve Khaitan	7.20
Mr. M. Damodaran*	7.58
Dr. Mukti Khaire	7.97
Ms. M. Rajyalakshmi Rao	7.20
Mr. Manoj Bhat **	7.96
Ms. Shikha Sharma	7.96
Mr. T. N. Manoharan	8.72

\* Retired as Independent Director w.e.f. March 31, 2022

\*\*Appointed as Director w.e.f. April 2, 2021. In addition to the above stated commission, Mr. Manoj Bhat had exercised 9,000 Stock Options during the year, which were granted to him during his tenure as Chief Financial Officer of the Company. The perquisite value of the Stock Options exercised during the year is ₹ 9.07 Million.

## B. Executive Director

(₹ In Million)

Name	Salary	Value of Perquisites #	Commission
Mr. C. P. Gurnani	27.30	581.35	18.35

# includes ₹ 580.77 Million towards perquisite value of ESOP exercised during the year.

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 and 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 and Remuneration Committee based on the achievement of various parameters set out in the agreed annual goals.

### 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 was the Chairman of the Committee up to March 31, 2022. Mr. C. P. Gurnani, Dr. Mukti Khaire, Mr. Haigreve Khaitan, Ms. M. Rajyalakshmi Rao and Mr. Manoj Bhat are the members of the Committee. Mr. Manoj Bhat was appointed as the member of the Committee w.e.f. April 26, 2021.

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

- Look into redressing the grievances and complaints of the holders of Company's securities, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, 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 survey;
- 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.

During the year under review, four Committee meetings were held i.e., on April 27, 2021, July 29, 2021, October 23, 2021 and January 31, 2022.

Name	Category	Number of Stakeholders Relationship Committee meetings attended
Mr. M. Damodaran*	Chairman, Independent Director	4
Mr. C. P. Gurnani	Managing Director & CEO	4
Mr. Haigreve Khaitan	Independent Director	4
Dr. Mukti Khaire	Independent Director	4
Ms. M. Rajyalakshmi Rao	Independent Director	4
Mr. Manoj Bhat **	Non-Executive Director	3

\*Ceased to be the Chairman of Committee w.e.f. March 31, 2022.

\*\*Appointed as member of the Committee w.e.f. April 26, 2021

The Company Secretary acts as the Secretary to the Committee.

The status of shareholder complaints received and resolved during the Financial Year 2021-22 is as under:

Pending Complaints as on April 1, 2021	Complaints received during the year	Complaints disposed during the year	Complaints pending as on March 31, 2022
1	30*	31	0

\* Breakup of the complaints is (i) Non receipt of Dividend - 9, (ii) Non Receipt of Share Certificate - 11, (iii) TDS related - 1, (iv) Non-receipt of Annual Report - 4, (v) Transmission of shares - 1, (vi) Claim of shares from IEPF - 3, (vi) Transfer of shares - 1.

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

Mr. Anil Khatri, Company Secretary and Compliance Officer.

Mr. M. Damodaran, the Chairman of the Stakeholders Relationship Committee, was present at the Annual General Meeting of the Company held on July 30, 2021.

#### **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, Mr. Haigreve Khaitan, Dr. Mukti Khaire, Ms. M. Rajyalakshmi Rao and Mr. Manoj Bhat are the members of the Committee. Mr. Manoj Bhat was appointed as the member of the Committee w.e.f. April 26, 2021.

Terms of reference of the CSR Committee are:

- Formulating the CSR policy in compliance to Section 135 of the Companies Act, 2013;
- Formulating and recommending to the Board, an Annual Action Plan in pursuance of the CSR policy;
- Recommending to the Board the CSR expenditure to be incurred;
- Making modifications to the CSR policy as and when required;
- Review Sustainability initiatives of the company;
- Regularly monitoring the implementation of the CSR projects and to carry on such tasks and activity as may be assigned by the Board of directors from time to time.

During the year under review, two meetings of the Committee were held i.e., on April 26, 2021 and October 23, 2021.

Name	Category	Number of Corporate Social Responsibility Committee meetings attended
Mr. C. P. Gurnani	Managing Director & CEO, Chairman of the Committee	2
Mr. Haigreve Khaitan	Independent Director	2
Dr. Mukti Khaire	Independent Director	2
Ms. M. Rajyalakshmi Rao	Independent Director	2
Mr. Manoj Bhat*	Non-Executive Director	1

\* Appointed as member of the Committee w.e.f. April 26, 2021

The Company Secretary acts as the Secretary to the Committee.

The Chief Financial Officer of the Company, Chief Executive Officer of Tech Mahindra Foundation and Vice-Chancellor - Mahindra University are the permanent invitees to the Committee meeting.

#### e) **RISK MANAGEMENT COMMITTEE:**

The Risk Management Committee meets the criteria of Regulation 21 of SEBI Listing Regulations. 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.

Ms. Shikha Sharma is the Chairperson of the Committee, Dr. Anish Shah, Dr. Mukti Khaire, Mr. Manoj Bhat and Mr. T. N. Manoharan are the Members of the Committee. Mr. Manoj Bhat was appointed as the member of the Committee w.e.f. April 26, 2021. Mr. M. Damodaran ceased to be a member of the Committee w.e.f. March 31, 2022.

The Company Secretary acts as the Secretary to the Committee.

Mr. Sudeep Chopra was appointed as Chief Risk Officer of the Company w.e.f. September 1, 2021 in place of Mr. Sunil Sanger, who has superannuated from the Company w.e.f. August 31, 2021. The Managing Director & CEO, Chief Financial Officer and Chief Risk Officer are the permanent invitees to the meetings of the Committee.

Terms of reference of the Risk Management Committee inter alia includes:

- To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the Company including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- To review the appointment, removal and terms of remuneration of the Chief Risk Officer.
- To periodically review the risk management processes and practices of the Company and ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward, in both ongoing and new business activities.
- To review the coverage and exposure of the Directors and Officers liability insurance policy on an annual basis.
- To review and approve the Enterprise Risk Management Framework of the Company on an annual basis.
- The Committee shall make recommendations as and when required to the Board.

During the year under review, four meetings of the Committee were held i.e., on April 27, 2021, July 30, 2021, October 23, 2021 and January 31, 2022.

<b>Name</b>	<b>Category</b>	<b>Number of Risk Management Committee meetings attended</b>
Ms. Shikha Sharma	Chairperson, Independent Director	4
Dr. Anish Shah	Non-Executive Director	3
Dr. Mukti Khaire	Independent Director	4
Mr. Manoj Bhat**	Non-Executive Director	4
Mr. T. N. Manoharan	Independent Director	4
Mr. M. Damodaran*	Independent Director	4

\*Ceased to be member of the Committee w.e.f. March 31, 2022.

\*\*Appointed as member of the Committee w.e.f. April 26, 2021.

**f) INVESTMENT COMMITTEE:**

The Board of Directors constituted the Investment Committee of the Board at its meeting held on 9<sup>th</sup> September, 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. Ms. Shikha Sharma is the Chairperson of the Committee, Mr. C. P. Gurnani, Dr. Anish Shah, Mr. Haigreve Khaitan, Dr. Mukti Khaire and Mr. Manoj Bhat (w.e.f. April 26, 2021) are the Members of the Committee.

The Company Secretary acts as the Secretary to the Committee.

The Chief Financial Officer is the invitee to the meetings of the Committee.

During the year under review, seven meetings of the Committee were held i.e., on April 10, 2021, June 17, 2021, October 9, 2021, November 29, 2021, December 30, 2021, January 10, 2022 and March 7, 2022.

Name	Category	Number of Investment Committee meetings attended
Ms. Shikha Sharma	Chairperson, Independent Director	7
Mr. C. P. Gurnani	Managing Director & CEO	7
Dr. Anish Shah	Non-Executive Director	5
Mr. Haigreve Khaitan	Independent Director	5
Dr. Mukti Khaire	Independent Director	7
Mr. Manoj Bhat*	Non-Executive Director	6

\* Appointed as member of the Committee w.e.f. April 26, 2021

**g) SECURITIES ALLOTMENT COMMITTEE:**

The Committee is 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. Haigreve Khaitan is the Chairman of the Securities Allotment Committee, Mr. C. P. Gurnani and Mr. T. N. Manoharan are other members of the Committee.

**IV. GENERAL BODY MEETINGS:**

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

Year	Location of AGM	Date	Time	Special Resolutions passed
2019	Y. B. Chavan Auditorium, General Jagannath Bhosle Marg, Nariman Point, Mumbai - 400 021.	July 31, 2019	3.00 p.m.	Re-appointment of Mr. M. Damodaran as Independent Director w.e.f. August 1, 2019 upto March 31, 2022. Re-appointment of Mr. T. N. Manoharan as Independent Director w.e.f. August 1, 2019 for a term of 5 years. Re-appointment of Ms. M. Rajyalakshmi Rao as Independent Director w.e.f. August 1, 2019 for a term of 5 years.
2020	AGM was held through VC/ OAVM due to COVID-19 pandemic* Deemed venue: Gateway Building, Apollo Bunder, Mumbai - 400001	July 28, 2020	3.30 p.m.	None

Year	Location of AGM	Date	Time	Special Resolutions passed
2021	AGM was held through VC/ OAVM due to COVID-19 pandemic* Deemed venue: Gateway Building, Apollo Bunder, Mumbai - 400001	July 30, 2021	4.00 p.m.	None

\*Pursuant to the relaxations provided by Ministry of Corporate Affairs vide its circular no. 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021.

(ii) Details of Special Resolutions passed through Postal Ballots during the year 2021-22: Nil

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution 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 were published in leading newspapers in India viz. Business Standard, Economic Times and Maharashtra Times, although SEBI vide its circular SEBI/HO/CFD/CMD1/CIR/P/2020/48 dated March 26, 2020 and SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, and further a circular is issued vide dated January 15, 2021, provided relaxation from publishing the results in the newspapers due to the Covid-19 pandemic.

The results are 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 includes inter alia, certain non-statutory information to the shareholders like key strengths, service offerings, industries the Company serve, strategy for growth, etc. and statutory reports such as, the Director’s Report, the report on Corporate Governance, the Management Discussion and Analysis and the Business Responsibility & Sustainability Report apart from Audited Financial Statements.
- The Annual Report for the year 2021-22 is an integrated Report which inter alia includes Annual Report and also Business Responsibility and Sustainability Report on voluntary basis.

## VI. GENERAL SHAREHOLDER INFORMATION:

### 1. Annual General Meeting:

Date Tuesday, July 26, 2022

Time 3.30 P.M.

Venue Due to the continued COVID-19 pandemic and the need to follow social distancing norms, the Ministry of Corporate Affairs vide its circular no. 02/2021 dated January 13, 2021 and 21/2021 dated December 14, 2021 and General Circular no. 02/2022 dated May 05, 2022 has permitted to hold the AGM through VC/OAVM. Hence, the meeting will be held through VC/OAVM.

Webcast: The Company has arranged one way webcast of the proceedings of the AGM through the website of NSDL i.e. <https://www.evoting.nsdl.com>

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

Calendar for 2022-23:

Financial reporting for	Tentative Board meeting schedule (subject to change)
Quarter ending June 30, 2022	Second fortnight of July 2022
Half year ending September 30, 2022	First fortnight of November, 2022
Quarter ending December 31, 2022	Second fortnight of January 2023
Year ending March 31, 2023	Second fortnight of April 2023
Annual General Meeting for the year ending March 31, 2023	Second fortnight of July 2023

### 3. Book Closure / Record Date:

Saturday, July 23, 2022 to Tuesday, July 26, 2022 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend.

### 4. Date of Dividend payment:

Date of payment of Dividend, if declared, would be on or before August 09, 2022.

### 5. Listing on Stock Exchanges:

The Company's equity shares are listed on 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 2022-23 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

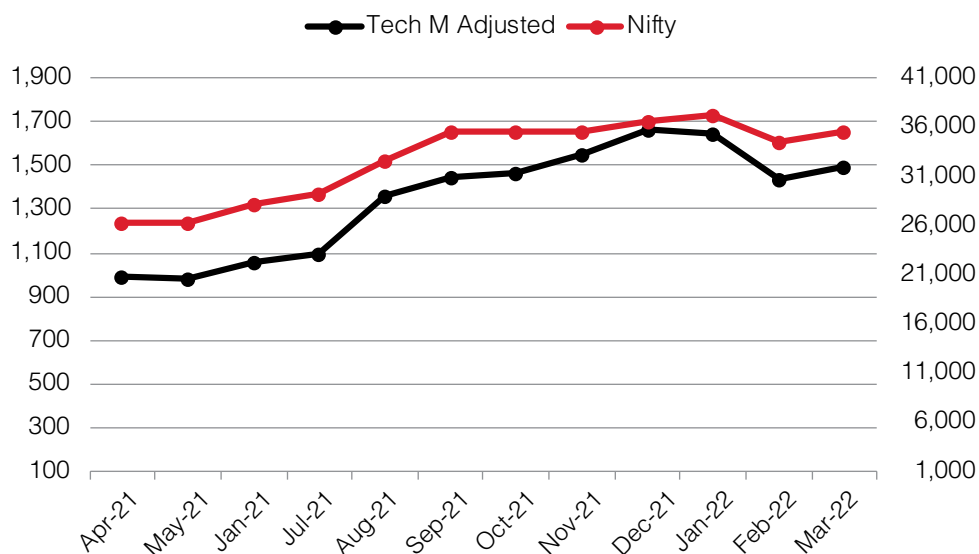


**8. Market Price Data: High, Low during each month in last Financial Year is given below:**

Month	NSE		BSE	
	High	Low	High	Low
Apr-21	1059.05	937.00	1058.60	936.85
May-21	1033.00	941.40	1032.90	941.45
Jun-21	1109.40	994.00	1110.00	994.10
Jul-21	1237.30	1030.10	1237.00	1030.15
Aug-21	1478.00	1195.55	1477.50	1195.95
Sep-21	1547.85	1372.75	1547.00	1373.00
Oct-21	1630.00	1361.00	1629.40	1361.00
Nov-21	1625.00	1479.40	1624.75	1479.15
Dec-21	1838.00	1536.00	1837.75	1536.60
Jan-22	1818.00	1406.25	1817.75	1406.40
Feb-22	1514.95	1330.00	1515.00	1330.00
Mar-22	1574.95	1382.75	1574.80	1382.80

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

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


**10. Registrar and Transfer Agents:**

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

Link Intime India Private Limited  
 Block No. 202, 2<sup>nd</sup> Floor,  
 Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road,  
 Pune - 411 001, Maharashtra, India.  
 Tel No. +91 20 2616 0084, 2616 1629 Fax: +91 20 2616 3503  
 Contact Person: Mr. Umesh Sharma  
 Email address: pune@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.

**12. Distribution of shareholding as on March 31, 2022:**

No. of Equity Shares held	Shareholders		Equity shares held	
	No. of Shareholders	% to Total	No. of shares	% to Total
1-500	7,28,980	96.56	3,81,57,626	3.92
501-1000	13,685	1.81	1,02,62,830	1.06
1001-2000	6,125	0.81	88,09,915	0.91
2001-3000	1,809	0.24	45,01,384	0.46
3001-4000	862	0.11	30,43,466	0.31
4001-5000	615	0.08	28,01,787	0.29
5001-10000	1,042	0.14	73,50,201	0.76
10001 and above	1,871	0.25	89,69,06,270	92.29
<b>Total</b>	<b>7,54,989</b>	<b>100.00</b>	<b>97,18,33,479</b>	<b>100.00</b>

**13. Shareholding pattern as on March 31, 2022:**

Category	No. of shares held	% to Total
Promoters Holdings	34,26,99,332	35.26
Public Share Holding:		
Mutual Funds	10,29,67,315	10.60
Banks, Financial Institutions and others	21,29,076	0.22
Foreign Institutional Investors	66,443	0.01
Bodies Corporate	46,32,366	0.48
NRI/Foreign Nationals	91,49,288	0.94
Foreign Portfolio Investor (Corporate)	33,29,45,480	34.26
Indian Public and others	17,72,44,179	18.23
<b>Total</b>	<b>97,18,33,479</b>	<b>100.00</b>

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

99.91 % 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, 2022. 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, 2022, 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 and 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: pune@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,  
Erandawane, Pune – 411 004  
Maharashtra, India.  
Tel No. +91 20 6601 8100  
Email address: investor.relations@techmahindra.com

- 19.** As the Company has not issued any debt instruments or have any fixed deposit programme the Company was not required to obtain credit ratings in respect of the same. The credit rating from CARE Ratings Limited during the year 2021-22 for bank facilities are (i) CARE AAA - Stable for Long term bank facilities and (ii) CARE A1+ - short term bank facilities.

**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	468 Shareholders, 1,62,858 Shares of ₹ 5/- each.
(ii)	Share transferred to Suspense Account during the year	488 Shareholders, 2,00,458 Equity Shares of ₹ 5/- each.
(iii)	Shares transferred to IEPF as no dividend was claimed for 7 years	258 Shareholders, 1,67,328 Shares of ₹ 5/- each.
(iv)	Number of shareholders to whom shares were transferred from suspense account during the year	2 Shareholder, 656 Shares of ₹ 5/- each.
(v)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	696 Shareholders, 1,95,332 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://www.iepf.gov.in/IEPF/refund.html>.

Members, who have not yet encashed their dividend warrant(s) are requested to make their claims without any delay to the Company's Registrar and Transfer Agent, i.e. Link Intime India Private Limited. Pursuant to the provisions of IEPF Rules, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on July 30, 2021 (date of last Annual General Meeting) on the website of the Company ([www.techmahindra.com](http://www.techmahindra.com)), as also on the website of the Ministry of Corporate Affairs.

Calendar for transfer of unclaimed dividend to IEPF:

Financial Year	Type of Dividend	Date of Declaration	Due for transfer to IEPF
2014-15	Final Dividend	July 28, 2015	September, 2022
2015-16	Final Dividend	August 2, 2016	September, 2023
2016-17	Final Dividend	August 1, 2017	September, 2024
2017-18	Final Dividend	July 31, 2018	September, 2025
2018-19	Final Dividend	July 31, 2019	September, 2026
2019-20	Interim Dividend	February 24, 2020	March, 2027
2019-20	Final Dividend	July 28, 2020	September, 2027
2020-21	Special Dividend	November 12, 2020	December, 2027
2020-21	Final Dividend	July 30, 2021	September, 2028
2021-22	Special Dividend	October 25, 2021	November, 2028

## 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 and 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 2021-22 and 2020-21, the Company has received an Audit Report with unmodified audit opinion.
  - b) The Chief Internal Auditor reports to the Chairman of the Audit Committee.
- 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 <https://insights.techmahindra.com/investors/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 <https://insights.techmahindra.com/investors/Related-Party-Transactions-Policy.pdf>
- viii. The members who have not registered their e-mail id are requested to register their e-mail ids with the Company's Registrar and 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 through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).
- x. A Certificate has been received from Makarand Lele & Co., Practising Company Secretary, Pune, that none of the directors on board 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 March 31, 2022, 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 basis, to the statutory auditors B S R & Co. LLP, Chartered Accountants is as follows:-

**Auditors Remuneration (exclusive of GST):**

Particulars	(₹ in Million)
	<b>March 31, 2022</b>
Audit fees (including quarterly audits and limited review)	45
For other service (certifications, etc.)	26
For taxation matters	4
For reimbursement of expenses	1
<b>Total</b>	<b>76</b>

xiii. The details of complaints received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and redressed by the POSH Committee of the Company, during the Financial Year under review, are given below:

- a) Number of complaints received during the Financial Year - 45
- b) Number of complaints resolved during the Financial Year – 43
- c) Number of complaints pending for resolution as at the end of the Financial Year – 2

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.

xiv. During the year under review, the Company and its subsidiaries had not provided loan or / and advances in nature of loan to any of the Company(ies) in which the Director is interested.

### **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 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, 2022, 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 the purpose of this declaration, Senior Management Team comprises of employees in the President and Executive Vice President grade as on March 31, 2022 and Chief Financial Officer of the Company.

For Tech Mahindra Limited

Place: Mumbai  
Date: May 13, 2022

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 July 28, 2021.
2. We have examined the compliance of conditions of Corporate Governance by Tech Mahindra Limited ("the Company"), for the year ended March 31, 2022, 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 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

### **Management's Responsibility**

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

### **Auditors' Responsibility**

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 March 31, 2022.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note 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 Services Engagements.

### **Opinion**

1. 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.
2. 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.

**Restriction on use**

3. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and 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's Registration No: 101248W/W-100022

Place: Mumbai  
Date: May 13, 2022

Jamil Khatri  
Partner  
Membership No:102527  
UDIN: 22102527AIXFFZ3471



## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) read with Schedule V Para C Clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
 The Members  
 Tech Mahindra Limited  
 Gateway Building, Apollo Bunder  
 Mumbai - 400001.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Tech Mahindra Limited having CIN: L64200MH1986PLC041370 and having registered office at Gateway Building, Apollo Bunder, Mumbai - 400 001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status on the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of appointment in Company
1.	Mr. Anand G. Mahindra	00004695	19.09.1995
2.	Mr. C. P. Gurnani	00018234	10.08.2012
3.	Dr. Anish Shah	02719429	10.09.2019
4.	Mr. Haigreve Khaitan	00005290	01.08.2019
5.	*Mr. M. Damodaran	02106990	22.07.2008
6.	Ms. M. Rajyalakshmi Rao	00009420	01.07.2013
7.	Mr. Manoj Bhat	05205447	02.04.2021
8.	Dr. Mukti Khaire	08356551	19.04.2019
9.	Ms. Shikha Sharma	00043265	01.08.2019
10.	Mr. T. N. Manoharan	01186248	01.07.2013

\*retired as director of the Company with effect from March 31, 2022.

Ensuring the eligibility of / for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Makarand Lele & Co.  
 Company Secretaries

CS Makarand Lele  
 Founder

Date: May 13, 2022  
 Place: Pune

FCS: 3453 CP No. 2074  
 UDIN: F003453D000313114

# Management Discussion and Analysis

## ABOUT TECH MAHINDRA:

Tech Mahindra offers innovative and customer-centric digital experiences, enabling enterprises, associates, and the society to Rise. We are a USD 6 billion organization with over 150,000 professionals helping 1,247 global customers, including Fortune 500 companies. We are focused on leveraging next-generation technologies including 5G, Blockchain, Quantum Computing, Cybersecurity, Artificial Intelligence, and more, to enable end-to-end digital transformation for global customers. Tech Mahindra is the only Indian company in the world to receive the HRH The Prince of Wales' Terra Carta Seal for its commitment to creating a sustainable future. We are the fastest growing brand in 'brand strength' and amongst the top 7 IT brands globally. With the NXT.NOWTM framework, Tech Mahindra aims to enhance 'Human Centric Experience' for our ecosystem and drive collaborative disruption with synergies arising from a robust portfolio of companies. Tech Mahindra aims at delivering tomorrow's experiences today and believes that the 'Future is Now'.

We are part of the Mahindra Group, founded in 1945, one of the largest and most admired multinational federation of companies with 260,000 employees in over 100 countries. It enjoys a leadership position in farm equipment, utility vehicles, information technology and financial services in India and is the world's largest tractor company by volume. It has a strong presence in renewable energy, agriculture, logistics, hospitality and real estate. The Mahindra Group has a clear focus on leading ESG globally, enabling rural prosperity and enhancing urban living, with a goal to drive positive change in the lives of communities and stakeholders to enable them to Rise.

## GLOBAL OUTLOOK

We entered 2022 with the hopes of putting behind the COVID related uncertainties on the back of vaccine roll out programs and well-established CAB protocols, only to witness heightened geopolitical tensions with Russia-Ukraine war in February 2022. The War has led to a surge in energy and commodity prices, further disruption in supply chain and trade flows for many sectors and have pushed global economies back to uncertainty. With inflation turning out to be persistent and broad-based and well above targets,

major advanced economies quickened the pace of unwinding of their ultra-accommodative monetary policies. A number of emerging market economies (EMEs) have been in a tightening mode since 2021, and more are expected to follow. Equity markets have seen sharp corrections since the start of the calendar year with the market volatility index rising to a one-year high amidst geopolitical tensions. Currency markets have turned highly volatile in response to these developments.

Against this backdrop, GlobalData forecasts that the world economy will grow at a slower pace of 3.5% in 2022 following a 5.9% growth in 2021. Asia-Pacific will be the fastest growing region in 2022 with the real GDP growth rate forecast at 4.3%, followed by Middle East and Africa at 3.9%, North America at 3.5%, West Europe at 3.4%, Africa at 3.4%, Latin America at 1.9% and East Europe at -1.6%.

## INDIAN ECONOMY OUTLOOK:

Economic activity which was recovering with the ebbing of the third wave, rapid stride towards universal vaccination, and supportive fiscal and monetary policies - now faces significant headwinds from the exacerbating geopolitical developments and the accompanying sharp rise in global commodity prices and weakening global growth outlook.

India saw a real GDP growth of 8.9% in FY 2021-22, higher than the pre-pandemic growth rates by 1.8%. We became amongst the top 4 largest forex reserves holding countries in the world as the forex reserves crossed USD 600 bn. Combination of high foreign exchange reserves, sustained FDI flows, and rising export earnings will provide adequate buffer against possible global liquidity tapering in FY 2022-23. The average headline inflation moderated to 5.2% in FY 2021-22 (April – Dec 2021) from 6.6% in the corresponding period of the year before, mostly due to easing food inflation guided by proactive and effective supply side management. However, with the pick-up in economic activity and sharp increase in international prices of crude oil and other imported inputs, inflation is expected to rise in FY 2022-23.

FY 2021-2022 has also been exceptional for the Indian capital markets as benchmark Sensex and

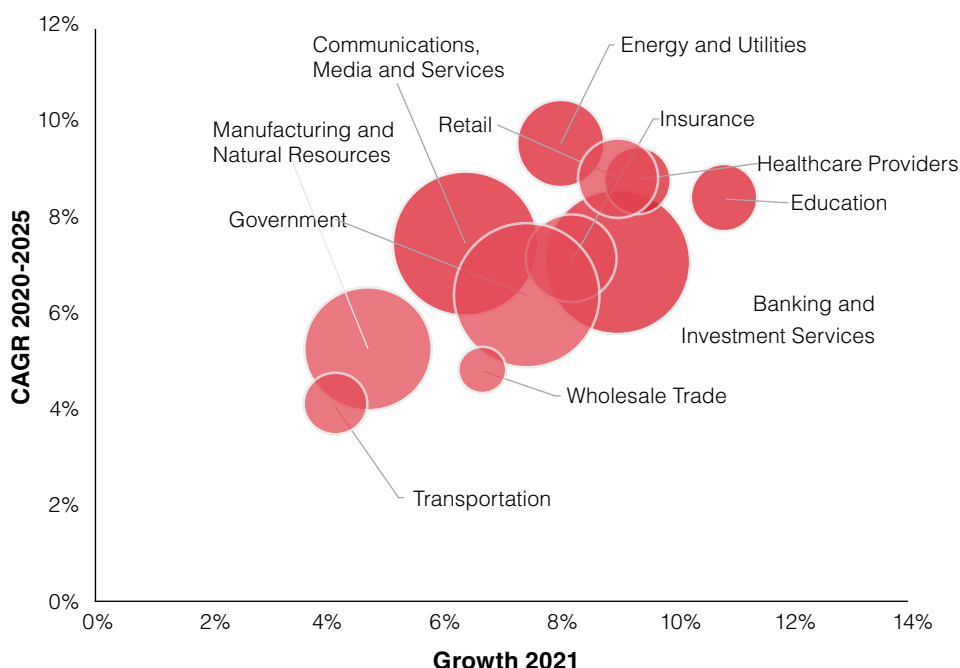
Nifty scaled to touch the peaks of 61,766 and 18,477 respectively. A record ₹ 891 bn (USD 12 bn) was raised via IPOs in the period April-November 2021. .

While India’s direct trade and financial exposures are modest, indirect spillovers from the slowing global economy, the sharp jump in commodity prices across the board and elevated risk aversion and uncertainty owing to geopolitical developments weigh heavily on the outlook.

**IT SERVICES GROWTH OUTLOOK**

The worldwide enterprise IT spending is forecast to grow by 7.4% in constant U.S. dollars during 2021, with an expected five-year compound annual growth rate of 7.04% in constant currency through 2025.

**Total Enterprise IT Spending by Verticals, Worldwide**



Note: The size of each bubble represents 2020 end-user spending by vertical in constant US dollars.

The total world enterprise spends on IT are likely to reach closer to USD 4 tn by 2025. The BFSI segment will continue to be highest spending enterprise for IT services, driven by continuously expanding digital capabilities in financial services organizations. BFSI companies’ (including insurance companies’) IT spend is likely to cross USD 1 tn by the year 2025. The IT spends by CME segments are also expected to cross USD 700 bn mark in the year 2025 being on the cusp of 5G led transformations.

Growth in world-wide enterprise IT spend

Enterprise segment	YOY 2022	CAGR 2021-2025
BFSI & Insurance	7.7%	6.7%
CME	7.7%	7.7%
Government	6.6%	6.1%
Manufacturing & Natural resource	5.8%	5.4%
Energy & Utilities	9.1%	9.9%
Others	8.0%	7.3%

## OUR PERFORMANCE

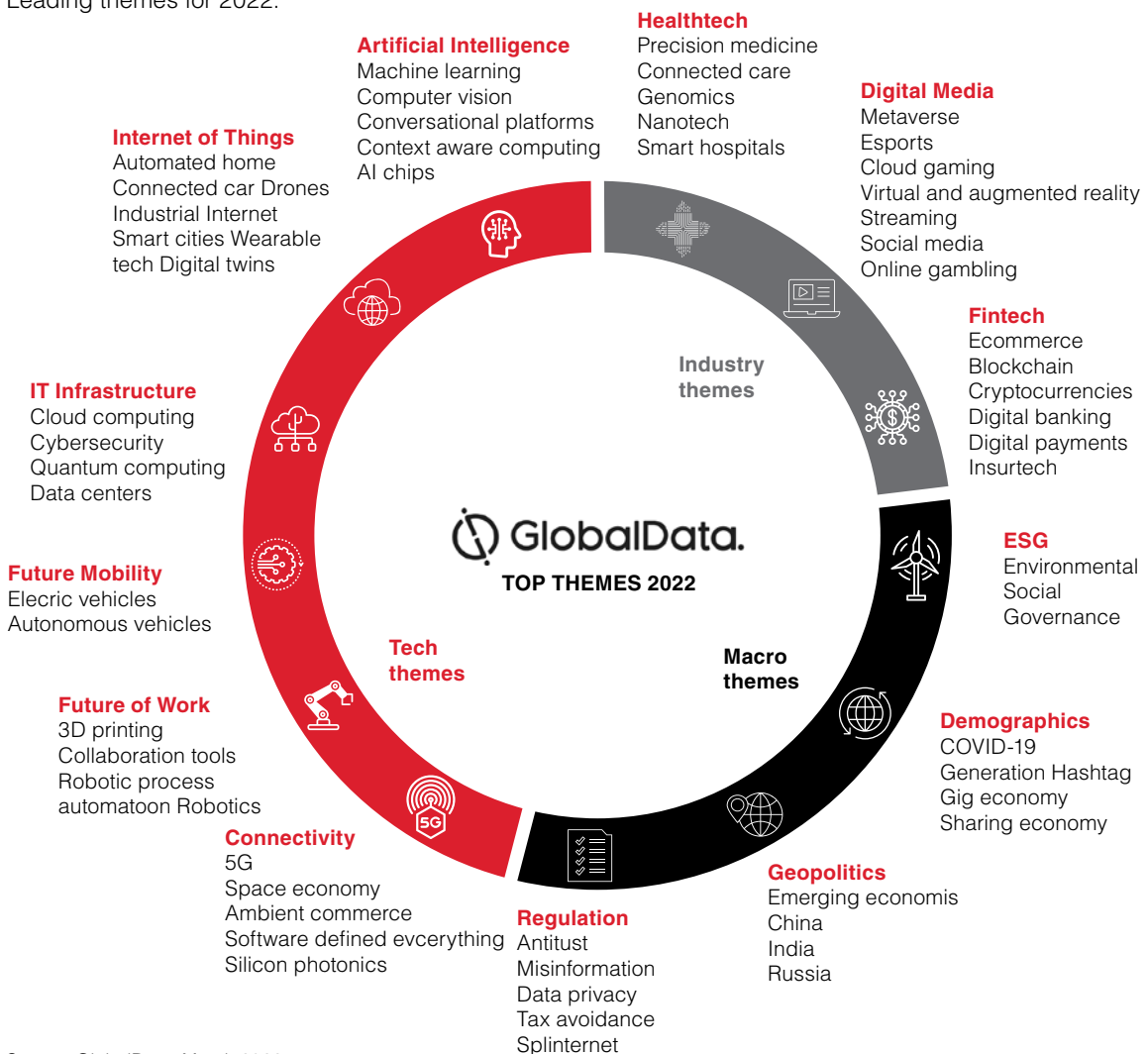
Tech Mahindra consolidated revenue for FY 2021-22 was ₹ 446,460 mn (USD 5,997.8 mn), up 17.9% from INR 378, 551 mn (USD 5,111 mn) last year. The consolidated profit after tax was ₹ 55,661 mn (USD 746.4 mn) as against ₹ 44,281 mn (USD 597.8 mn) last year.

The Company has reported new deal wins with TCV of over USD 3.3 bn for the FY 2021-22 as against new deal TCV of USD 2.2 bn reported in FY 2021 (up 50% YOY) which shows our strong solutioning approach helping customers transform their business.

## STRATEGY FOR THE ORGANIZATION:

The acceleration in digital transformation for world enterprises which started with the onset of the pandemic, is likely to continue in the subsequent years. These trends reinforce the need for technological evolution and reinvention of operating models. This has created a gamut of new opportunities for us to create value and help our clients to navigate this wave.

Leading themes for 2022:



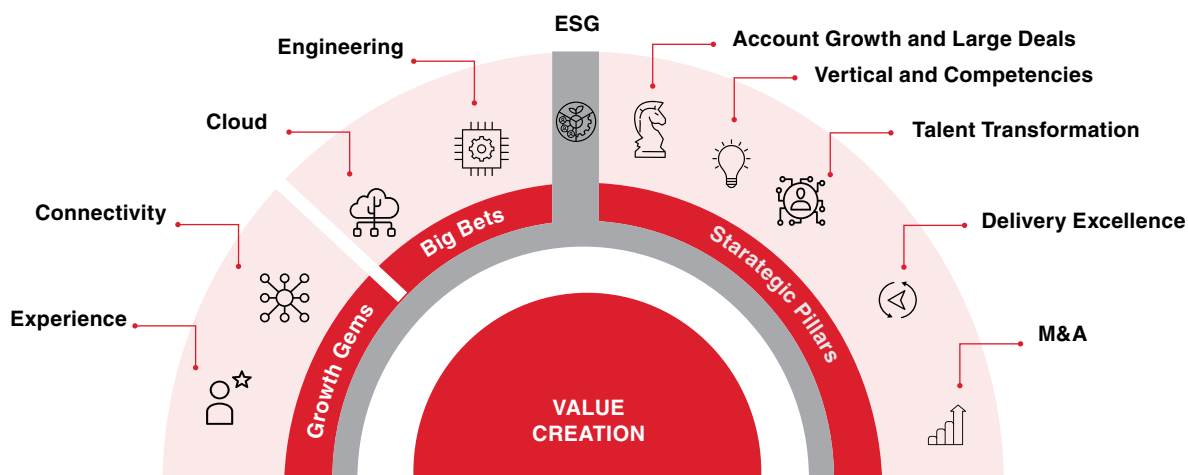
Source: GlobalData, March 2022

We will continue to leverage our rare combination of connectivity and experience as our endowment which along with our big bets on Cloud and Engineering form our NXT.NOW strategy. We are now embarking on multiple initiatives to modernize our delivery model and upskill our talent to deliver customer excellence.

We will continue to scale across the enterprise verticals of CME, BFSI, Healthcare & Lifesciences, Manufacturing and Hi-Tech; and strengthen our capabilities in digital technologies of the future such as Cloud, D&A, ESRM and XDS. We will continue to build SaaS platform-based offerings for our customers.

We will continue to grow by way of inorganic acquisitions to bolster our capabilities across our key bets and strategic opportunities.

## NXT.NOW



### KEY RISKS:

Risk	Impact	Mitigation Strategy
<b>Supply side risks</b>	The industry depends on availability and utilization of skilled talent for timely delivery of services and solutions to its clients. The revival of growth in the sector has resulted in high attrition levels. Cost effective hiring and retaining increased number of professionals with the required skillset is a challenge.	<ul style="list-style-type: none"> <li>-We continue to invest in upskilling our associates and help them attain niche skills.</li> <li>- We have rolled out well curated incentive schemes to ramp up our hiring process.</li> <li>- We have also expanded our operations to Tier II cities in India and abroad to attract niche talent which prefer to work from home locations.</li> </ul>
<b>M&amp;A Integration risks</b>	The company has a focused M&A strategy and has acquired various companies in the past years. Integration of these companies involve risks of failure of achieving strategic objectives, financial loss, culture, and financial integration	<ul style="list-style-type: none"> <li>-We have a well -defined M&amp;A strategy which has led to successful acquisitions and integrations for the past several years.</li> <li>- We undertake extensive due diligence, take opinions of bankers, advisors and subject matter experts, post which the deal is evaluated and approved by the Board</li> <li>- We strategically focus on integration to drive synergies. This approach has helped us reap the desired outcome from acquisitions done so far.</li> </ul>
<b>Impairment Risk</b>	The carrying value of our M&A related investments is subject to impairment in the event that the business performance and valuation of acquired companies declines	The company regularly carries out valuation exercises on all past acquisitions and a dedicated team monitors business performance of the acquired portfolio. Wherever business performance is lagging, corrective actions are identified and tracked.
<b>Currency risks</b>	The company earns revenues from outside of India and hence is exposed to currency fluctuation risks.	<ul style="list-style-type: none"> <li>-Our revenue comes from diverse regions and hence impact of any one currency is restricted</li> <li>- The impact of currency fluctuation on revenue from onsite activities get mitigated by costs incurred onsite as well</li> <li>- We manage currency risks by way of our well-established hedging policy. We undertake speculative hedging only to protect our revenues from adverse currency movements and do not undertake any speculative hedging</li> </ul>

Risk	Impact	Mitigation Strategy
<b>Competition and technology risks</b>	The company operates in an industry prone to frequent changes and rapid evolution. Company's inability to adapt, upskill and develop newer capabilities can result in loss of market share to competition.	We are investing in developing and acquiring newer capabilities to cater to the evolving needs of our clients. The company has invested in curated programs to incentivise its existing workforce to upskill. We have acquired niche companies in recent years to scale up in the areas of Cloud, Engineering, Network Services and XDS.
<b>Compliance risk</b>	The company operates in multiple countries via subsidiaries and branches. This results in an increase of compliance checks required for the consolidated business, failure of which could result in penalties, reputational damage and possible business disruptions.	The company has a global compliance monitoring system and monitors compliance centrally. This compliance system is sequentially rolled out to cover new acquired entities one by one.  Periodic compliance reviews and Strong Governance at executive and board level through various committees ensure effective monitoring over this risk.
<b>Service delivery, litigation, and regulatory risks</b>	The Company has operations in over 90 countries and works with over 1000 customers. It is thus prone to risks arising out of contract execution, IP related, regulatory compliances, employment related, adverse rulings, mergers etc.	We have built an in-house legal team spread across regions and catering to all kinds of risks relevant to our business.  We also seek expert opinions from global law firms, compliance, and tax advisors in the respective areas as and when required.  We have a robust framework of dealing appropriately and in a timely manner to all litigation risks arising either internal or external to the company
<b>Cyber security risks</b>	There is a phenomenal increase in cyber-attack incidents globally since the onset of the pandemic. The ever-evolving nature of these technologies makes the company forever prone to phishing or ransomware threats. There is a risk of loss of the Company or its clients' data by way of such attacks, or by way of exfiltration by associates	We have implemented data protection and privacy controls such as encryption, data leakage prevention, and supplier risk management. Risk mitigation through cyber security tools and controls such as firewall, antivirus, encryption, user awareness, etc.
<b>Climate change risks</b>	Water scarcity, high water prices, water and air pollution may impact associate health & wellbeing, leading to loss of work continuity (attendance). Shift in sea level rise, precipitation patterns and air pollution will affect assets and compromise operations, eventually making an economic impact  Increased or mandated Carbon price, shift in customer preferences to be eco-conscious customers and their demand for only sustainable solutions could impact revenue.  High cost of transition to lower emission technology.  Increased prices/taxes on fossil fuels (petrol & diesel) Increased energy cost	The Company believes in circular economy with our focus on reduce, reuse, recycle and recover. Regular scenario/sensitivity analysis and stress testing is carried out, to ensure that water, air quality and environment policies, along with initiatives and campaigns to combat climate change, are implemented.  Regular disaster drills and data backups are conducted. The Company has adequate business continuity and disaster recovery plans, and showed resilience to emerge strong from the COVID-19 pandemic.  We are committed to reducing our carbon footprint through investments in low carbon technology, which are being funded by internal Carbon Price, which is already implemented.
<b>Global economy &amp; geopolitical risks</b>	The world is currently grappling with the double whammy of a health crisis and a war. The series of reactive actions taken by various countries have eventually led to disrupted supply chains and an environment of economic uncertainty. These uncertainties can translate into clients cutting down or pushing back their IT spend budgets thereby impacting our revenue.	We have a global and diverse client base which restricts the impact of external events on our revenue. Our business models have evolved over decades and can navigate changing business sentiments and economic cycles.

## 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, 2022.

The financial statements of Tech M 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 ₹ 8,337 Million, divided into 1,667,300,000 equity shares of ₹ 5 each. The paid-up share capital stood at ₹ 4,859 Million as on March 31, 2022 compared to ₹ 4,841 Million as on March 31, 2021. The increase in paid-up capital during the year is due to the issue of 3,573,412 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 ₹ 2,195 Million during the year is due to the amount transferred from share option outstanding account on exercise of stock options to the tune of ₹ 1,380 Million, transfer from Share Application money pending allotment ₹ 814 Million.

### b) Retained Earnings

The surplus in the Statement of Profit and Loss as on March 31, 2022 was ₹ 212,551 Million compared to ₹ 200,874 Million as on March 31, 2021.

### 3. Right Of Use Liabilities

In compliance with the new accounting standard IND AS 116 Lease accounting, Right of Use ("ROU") liability has been recognised with effect from April 1, 2019. Balance of ROU Liability as on March 31, 2022 is shown in the table below:

(₹ in Million)		
ROU Lease liabilities	As at March 31	
	2022	2021
Long Term	3,441	3,497
Short Term	1,734	1,691
<b>Total</b>	<b>5,175</b>	<b>5,188</b>

### 4. Fixed Assets

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

(₹ in Million)		
FIXED ASSETS	As at March 31	
	2022	2021
<b>Gross Book Value</b>		
Land - Freehold	459	459
Buildings	21,774	21,757
Leasehold Improvements	783	714
Plant & Equipments	14,999	14,958
Computer equipments	21,469	17,424
Office Equipments	1,982	1,894
Furniture and fixtures	6,897	6,933
Vehicles	174	173
Intangible assets	12,577	11,055
<b>Total</b>	<b>81,114</b>	<b>75,367</b>
Less: Accumulated depreciation & amortization	55,144	50,628
<b>Net block</b>	<b>25,970</b>	<b>24,739</b>
Add: Capital work-in-progress	1,322	1,114
<b>Net fixed assets</b>	<b>27,292</b>	<b>25,853</b>

The Net Block of Fixed Assets and Capital Work in Progress stood at ₹ 27,292 Million as on March 31, 2022 as against ₹ 25,853 Million as on March 31, 2021. During the year, the Company incurred capital expenditure (gross)

of ₹ 5,893 Million (previous year ₹ 2,577 Million). The major items of Capital Expenditure include addition to Computers ₹ 4,442 Million & Software ₹ 1,047 Million.

## 5. Right Of Use Assets

In compliance with the new accounting standard IND AS 116 Lease accounting, Right of Use ("ROU") Assets has been recognised with effect from April 1, 2019. Balance of ROU Assets as on March 31, 2022 is ₹ 4,659 Million as against ₹ 4,680 Million on March 31, 2021.

## 6. Investments

The summary of Company's investments are given below

(₹ in Million)		
INVESTMENTS	As at March 31	
	2022	2021
<b>Non Current Investments</b>		
Investment in Subsidiaries	121,611	78,575
Investment in Non convertible debentures, Associates & others (treasury bonds & bills)	6,227	5,233
<b>Total Investments</b>	<b>127,838</b>	<b>83,808</b>
Less : Provision for diminution of value	12,189	8,827
<b>Net Non Current Investments</b>	<b>115,649</b>	<b>74,982</b>
<b>Investment in property</b>	<b>797</b>	<b>891</b>
<b>Total Non Current Investments</b>	<b>116,446</b>	<b>75,873</b>
<b>Current Investments</b>		
Investment in mutual funds	26,300	80,794
Term Deposits with Financial Institutions	2,500	8,000
Investment in non-convertible debentures and commercial papers	3,763	1,748
<b>Total Current Investments</b>	<b>32,563</b>	<b>90,542</b>
<b>Total Investment</b>	<b>149,009</b>	<b>166,415</b>

Total investments (non-current) as on March 31, 2022 stood at ₹ 116,446 Million as against ₹ 75,873 Million, as on March 31, 2021. During the year, Current Investment in Non-Convertible Debentures & Perpetual Bonds increased to ₹ 3,763 Million as on March 31, 2022 as against ₹ 1,748 Million as on March 31, 2021. Investment in Subsidiaries increased to ₹ 121,611 Million as on March 31, 2022 as against ₹ 78,575 Million as on March 31, 2021. Diminution in value of

investments in subsidiaries increased by ₹ 3,363 Million during the year.

Investment in liquid mutual funds as at March 31, 2022 was ₹ 26,300 Million (previous year ₹ 80,794 Million), decrease of ₹ 54,494 Million, decrease in Term Deposits with Financial Institutions is ₹ 5,500 Million and increase in Current Investment in non-convertible debentures and commercial papers is ₹ 2,015 Million.

### Investment in Subsidiaries

The Company invested in the following subsidiaries during the FY 2021-22:

- I. Pursuant to a share purchase agreement, the Company through its wholly owned subsidiary, Tech Mahindra London Limited acquired 100% stake in Com Tec Co IT Ltd., Cyprus & its subsidiaries on January 17, 2022, for a consideration of EUR 304 Million (₹ 25,786 Million) out of which EUR 227 million (₹ 19,260 Million) was paid upfront. The agreement also provides for contingent consideration linked to financial performance from calendar years from 2021 to 2024. As on the acquisition date, contractual obligation towards the said acquisition amounts to Euro 78.44 Million (₹ 6,526 Million). [As at March 31, 2022 ₹ 6,592 Million]. Currently, the Company has accounted this acquisition on the basis of provisional purchase price allocation.
- II. Pursuant to a share purchase agreement, the Company through its Wholly owned subsidiary Tech Mahindra (Americas) Inc., acquired 100% stake in Digital OnUS Inc., USA, on May 7, 2021, for a consideration of USD 110 Million (₹ 8,319 Million) out of which USD 90 Million (₹ 6,550 Million) was paid upfront. The agreement also provides for contingent consideration linked to financial performance, new customer count and employee headcount from Financial Years March 31, 2022 to March 31, 2024. As on acquisition date, contractual obligation towards the said acquisition amounts to USD 20 Million (₹ 1,478 Million) [As at March 31, 2022 ₹ 1,887 Million]. Currently, the Company has accounted this acquisition on the basis of provisional purchase price allocation.



- III. Pursuant to a share purchase agreement, the Company acquired 100% stake in Green Investment LLC and its subsidiaries in USA, through its wholly owned subsidiary, Tech Mahindra (Americas) Inc., on December 31, 2021, for a consideration of USD 104 Million (₹ 7,733 Million) out of which USD 91.2 Million (₹ 6,779 Million) was paid upfront.

The agreement also provides for contingent consideration linked to financial performance for the Financial Years March 31, 2023 to March 31, 2025. As on acquisition date, the contractual obligation towards the said acquisition amounts to USD 13.7 Million (₹ 1,019 Million). [As at March 31, 2022 ₹ 1,449 Million].

Further, Pursuant to a share purchase agreement, the Company acquired 100% stake in Allyis India Private Limited on December 31, 2021 for a consideration of USD 2.6 Million (₹ 194 Million).

- IV. Pursuant to a share purchase agreement on October 25, 2021 the Company through its wholly owned subsidiary, Tech Mahindra (Americas) Inc., acquired 100% stake in Infostar LLC, USA (d/b/a Lodestone) for a consideration of USD 88.57 Million (₹ 6,634 Million) out of which USD 58.47 million (₹ 4,379 Million) was paid upfront. The agreement also provides for contingent consideration linked to financial performance for the Financial Years ending March 31, 2022 to March 31, 2025. As on acquisition date, contractual obligation towards the acquisition amounts to USD 34.20 million (₹ 2,254 Million) [As at March 31, 2022 ₹ 2,599 Million]. Currently, the Company has accounted this acquisition on the basis of provisional purchase price allocation.

The Company, pursuant to a business purchase agreement acquired 100% business of Lodestone Software Service Private Limited on October 25, 2021 for an upfront consideration of USD 6.7 Million (₹ 497.5 Million).

- V. Pursuant to a share purchase agreement, the Company through its wholly owned subsidiary, Tech Mahindra (Americas)

Inc. acquired on June 18, 2021, 100% stake in Eventus Solution Group LLC for a consideration of USD 37.85 million (₹ 2,804 Million) out of which USD 33.67 million (₹ 2,494 Million) was paid upfront.

- VI. Pursuant to a share purchase agreement, on November 16, 2021 the Company acquired 100% stake in BrainScale Inc. in USA through its wholly owned subsidiary, Tech Mahindra (Americas) Inc. for a consideration of USD 19.1 Million (₹ 1,419 Million) out of which USD 9.6 Million (₹ 714 Million) was paid upfront. The agreement also provides for contingent consideration linked to financial performance from Financial Years March 31, 2022 to March 31, 2024. As on acquisition date, the contractual obligation towards the said acquisition amounts to USD 11.1 million (₹ 826 Million) [As at March 31, 2022 ₹ 803 Million] Further, Pursuant to a business purchase agreement, the Company acquired the business of M/s BrainScale on December 03, 2021 for a total consideration of ₹ 154 Million. Currently, the Company has accounted this acquisition on the basis of provisional purchase price allocation.

- VII. The Company through its wholly owned subsidiary, Comviva Technologies America, Inc acquired video processing platform and all related intellectual property from MK System USA Inc. for a transaction value of USD 20 Million (₹ 1,507 Million) in March 2022. The initial accounting for the business combination has been determined provisionally.

- VIII. Pursuant to a share purchase agreement, on October 01, 2021 the Company through its wholly owned subsidiary, Tech Mahindra GmbH acquired 100% stake in Beris Consulting GmbH and its subsidiary in Germany for a consideration of EUR 7 Million (₹ 605 Million) out of which EUR 6 Million (₹ 519 Million) was paid upfront. The agreement also provides for contingent consideration linked to financial performance and employee headcount from July 2022 to March 2023. As on acquisition date, the contractual obligation towards the said acquisition amounts to Euro 1 million (₹ 86 Million) [As at March 31, 2022

₹ 84 Million]. Currently, the Company has accounted this acquisition on the basis of provisional purchase price allocation.

IX. Pursuant to a share purchase agreement, the Company through its stepdown subsidiary Born London Ltd, UK acquired 100% stake in We Make Website on October 25, 2021. for a consideration of GBP 10.4 million (₹1,074 Million) out of which GBP 5 million (₹ 516 Million) was paid upfront. The agreement also provides for contingent consideration linked to financial performance from Financial Year March 31, 2022 to March 31, 2024. As on acquisition date, contractual obligation towards the said acquisition amounts to GBP 5.40 Million (₹ 557.60 Million) [As at March 31, 2022 ₹ 536 Million]. Currently, the Company has accounted this acquisition on the basis of provisional purchase price allocation.

X. Pursuant to a share purchase agreement, the Company through its wholly owned subsidiary, Tech Mahindra Singapore Pte. Limited acquired 80% stake in Geomatic. ai Pty Ltd on February 16, 2022 for a consideration of AUD 6 Million (₹322 Million). Currently, the Company has accounted this acquisition on the basis of provisional purchase price allocation.

## 7. Deferred Tax Asset

Deferred tax asset as of March 31, 2022 was at ₹ 2,481 Million as compared to ₹ 4,054 Million as of March 31, 2021. Deferred tax assets represent timing differences in the financial and tax books arising from depreciation of assets, provision for doubtful debts 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.

## 8. Sundry Debtors

Sundry debtors at ₹96,658 Million (net of provision for doubtful debts of ₹ 4,444 Million) as of March 31, 2022 as compared to ₹ 72,388 Million (net of

provision for doubtful debts of ₹ 6,041 Million) as of March 31, 2021. Debtor days as of March 31, 2022 (calculated based on per-day sales in the last quarter) were 101 days as compared to 92 days as of March 31, 2021.

## 9. 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.

Cash & Bank Balances	As at March 31	
	2022	2021
Bank balances in India & Overseas		
Current accounts	5,909	4,643
Deposit accounts	7,159	5,858
<b>Total cash and bank balances*</b>	<b>13,068</b>	<b>10,501</b>

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

## 10. Other financial assets, Other assets and Loans

Other financial assets, other assets & Loans as on March 31, 2022 were ₹ 56,563 Million compared to ₹ 49,689 Million as on March 31, 2021. Other financial assets include foreign currency derivative assets, security deposits, advances to related parties, interest receivable, lease receivable. Other assets include prepaid expenses, balance with government authorities, contract asset, advance income tax and capital advances.

## 11. Provisions, Financial Liabilities & Other liabilities

Liabilities and provisions were ₹ 74,077 Million as of March 31, 2022 including long-term liabilities and provision of ₹ 9,447 Million and short-term/current liabilities and provisions of ₹ 64,630 Million compared to ₹ 66,097 Million including long-term liabilities and provision of ₹ 8,175 Million and short-term / current liabilities and provisions of ₹ 57,922 Million as of March 31, 2021.

## 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 2022		Fiscal 2021	
	₹ (In Million)	% of Total Income	₹ (In Million)	% of Total Income
<b>INCOME</b>				
Revenue from Services	347,261		296,409	
Other Income	15,228		9,218	
<b>Total Income</b>	<b>362,489</b>	<b>100%</b>	<b>305,627</b>	<b>100%</b>
<b>EXPENDITURE</b>				
Personnel Cost	110,542		91,626	
Subcontracting Expenses	138,588		113,206	
Operating and Other Expenses	38,609		36,835	
Depreciation	6,599		6,623	
Interest	636		632	
Impairment of non-current investments	4,669		1,439	
<b>Total Expenditure</b>	<b>299,643</b>	<b>82.7%</b>	<b>250,361</b>	<b>81.9%</b>
<b>Profit before tax and exceptional items</b>	<b>62,846</b>		<b>55,266</b>	
Provision for Taxation	13,715	3.8%	12,875	4.2%
<b>Net profit for the year</b>	<b>49,131</b>	<b>13.6%</b>	<b>42,391</b>	<b>13.9%</b>

### 1. Revenue

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

The revenue increased to ₹ 347,261 Million in fiscal 2022 from ₹ 296,409 Million in fiscal 2021. The increase in revenue is due to increase in number of clients served & increase in business from these clients.

#### Consolidated Revenue

Consolidated Revenue for fiscal 2022 was ₹ 446,460 Million compared to ₹ 378,551 Million in fiscal 2021, growth of 18%.

#### Consolidated revenue by Geography

Revenue from Americas was 47.9% in fiscal 2022 compared to 47.5% in fiscal 2021 while the share of revenue attributable to Europe was 26.2% in fiscal 2022 compared to 26% in the previous year. Revenue from Rest of the World (including India) as a percentage of total revenue was 25.8% in fiscal 2022 compared to 26.6% in fiscal 2021.

#### Consolidated revenue by Vertical

For fiscal 2022, revenue from Communications, media & entertainment was 40.4% compared to 40.5% in previous year. Revenue from Manufacturing was 15.8% in fiscal 2022 compared to 16.5% in fiscal 2021. Revenue from Technology was 8.9% in fiscal 2022 compared to 8.5% in fiscal 2021. Revenue from Banking,

financial services & insurance was 16.4% in fiscal 2022 compared to 16.1% in fiscal 2021. Revenue from Retail Transport & Logistics was 7.9% in fiscal 2022 compared to 7.8% in fiscal 2021. Revenue from Others was 10.6% in fiscal 2022 compared to 10.6% in previous year.

#### Consolidated Revenue by Segment

For fiscal 2022, 88% of revenue came from IT services, whereas 12% of revenue came from BPO services. The revenue share for fiscal 2021 from IT & BPO services was 89.9% and 10.1% respectively.

### 2. Other Income (Standalone)

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

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 ₹ 15,228 Million in fiscal 2022 compared to ₹ 9,218 Million in fiscal 2021. The increase in other income was mainly due to higher dividend from investments, higher foreign exchange gain in current fiscal year.

### 3. Expenditure (Standalone)

Particulars	Fiscal 2022		Fiscal 2021	
	₹ (In Million)	% of Total Expenditure	₹ (In Million)	% of Total Expenditure
Personnel Cost	110,542	36.9%	91,626	36.6%
Subcontracting Expenses	138,588	46.3%	113,206	45.2%
Operating and Other Expenses	38,609	12.9%	36,835	14.7%
Depreciation	6,599	2.2%	6,623	2.6%
Interest	636	0.2%	632	0.3%
Impairment of investment in subsidiaries	4,669	1.6%	1,439	0.6%
<b>Total Expenses</b>	<b>299,643</b>	<b>100.0%</b>	<b>250,361</b>	<b>100.0%</b>

Personnel cost includes salaries, wages and bonus, contribution to provident fund and other funds, share based payment to employees and staff welfare costs.

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.

#### Impairment of Investment in subsidiaries

The Company owns investments in subsidiaries and associates, which are accounted at cost less any provision for impairment. The Management assesses the operations of the subsidiaries/entities, including future projections, to identify indications of diminution in the value of the investments recorded in the books of accounts. Based on the performance of subsidiaries and relevant economic and market indicators, the Company has reassessed the recoverable amount in below subsidiaries as on March 31, 2022.

Since the recoverable amount was lower than the carrying value of investments, the Company has recognised impairment loss of ₹ 4,669 Million for FY 2021-22, in subsidiaries - Tech Mahindra Servicos De Informatica LTDA. ₹ 1,970 Million, Tech Mahindra Thailand ₹ 1,457 Million, Tech Mahindra Nigeria ₹ 1,352 Million, Tech Mahindra

Switzerland ₹ 349 Million, Nth Dimension ₹ 77 Million & impairment reversal in Mahindra Engineering Services (Europe) Limited ₹ 536 Million. The impairment loss for FY 2020-21 was ₹ 1,439 Million in subsidiaries Bio Agency ₹ 668 Million, Mahindra Engineering Services (Europe) Limited. ₹ 536 Million and Sofgen ₹ 235 Million

### 4. Profit before tax

Profit before tax and exceptional item was ₹ 62,846 Million in fiscal 2022 compared to ₹ 55,266 Million in fiscal 2021. Profit before tax as a percentage of total revenue was 18.1% in fiscal 2022 compared to 18.6% in fiscal 2021.

### 5. Income taxes

The provision for income tax for the year ended March 31, 2022 was ₹ 13,715 Million as compared to ₹ 12,875 Million in the previous year. The effective tax rate in these years was 21.8% and 23.3% respectively. Lower Tax % for the year ended March 31, 2022 was due to reversal of excess tax provision of the earlier years no longer required.

### 6. Profit after tax

Profit after tax was ₹ 49,131 Million in fiscal 2022 as compared to ₹ 42,391 Million in fiscal 2021. Profit after tax as a percentage of revenue was 14.1% in fiscal 2022 and 14.3% in fiscal 2021.

### Consolidated PAT

Consolidated PAT for fiscal 2022 was ₹ 55,661 Million as compared to ₹ 44,281 Million last fiscal 2021. PAT as a percentage of revenue is 12.5% in fiscal 2022 & 11.7% in fiscal year 2021.

### C. CASH FLOW

(₹ in Million)

Particulars	As at March 31	
	2022	2021
Net cash generated from operating activities	29,694	68,519
Net cash generated from/ (used in) investing activities	16,722	(56,208)
Net cash from/(used in) financing activities	(44,571)	(20,661)
Net Increase/(decrease) in cash and cash equivalents during the period	1,845	(8,350)
Effect of exchange rate changes on cash and cash equivalents	219	192
Cash and Cash Equivalents at the beginning of the year	9,880	18,038
Cash and Cash Equivalents at the end of the year	11,944	9,880

### 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 2022	Fiscal 2021	% Change
1	Debtors Turnover	4.1	3.7	12%
2	Inventory Turnover	NA	NA	NA
3	Interest Coverage Ratio	218.0	161.7	35%
4	Current Ratio	2.6	3.4	-24%
5	Debt Equity Ratio #	2.0%	2.1%	-3%
6	Operating Profit Margin (%)	15.2%	16.2%	-6%
7	Net Profit Margin (%)	14.1%	14.3%	-1%
8	Return on Net worth	19.3%	17.9%	8%

\* Ratios are based on Standalone Financials

# Debt represents lease liabilities

Movements in the above ratios are not greater than 25%, hence not material except for Interest Coverage Ratio due to higher EBIT and Current ratio due to lower Current Investments (Mutual funds & Term deposit with FI) and Current liabilities (Trade payables)

### E. INTERNAL CONTROL SYSTEMS

The Company maintains an 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 on the cutting edge of technology, through our people, we strive to attract the best talent through intensive recruitment drives in premier engineering and management institutes. During the year, Tech M saw increase of 30,119 professionals. The global headcount of the Company as on March 31, 2022 was 151,173 as compared to 121,054 as on March 31, 2021.

The IT attrition was 23.5% during the year as compared to 13.3% 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.



# Standalone Financial Statements

# INDEPENDENT AUDITOR’S 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 2022, 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 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 2022, 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 obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### EMPHASIS OF MATTER

We draw attention to note 38(B) to 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. In accordance with the Scheme approved by the Honourable High Court of Hyderabad, Andhra Pradesh, the Company has presented separately under “Suspense Account (net)” claims made by 37 companies in the City Civil Court, for alleged advances amounting to INR 12,304 million, to erstwhile Satyam. The Company’s management, on the basis of current legal status, lack of documentation to support the validity of the claims and external legal opinion believes that these claims will not be payable on final adjudication.

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.

#### DESCRIPTION OF KEY AUDIT MATTER

Key audit matter	How our audit addressed the key audit matter
<p><b>Revenue recognition on fixed price development contracts</b></p> <p>The Company engages in fixed price development contracts, including contracts with multiple performance obligations. Revenue recognition in such contracts involves judgments relating to identification of distinct performance obligations, determination of transaction price for such performance obligations and the appropriateness of the basis used to measure revenue over a period.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the systems, processes and controls for evaluation of fixed price development contracts to identify distinct performance obligations and recognition of revenue.</li> <li>Evaluated the design and operating effectiveness of internal controls relating to recording of the contract value, determining the transaction price,</li> </ul>

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<p>In case of fixed price development contracts where performance obligations are satisfied over a period of time, revenue is recognised using the percentage of completion method based on management's estimate of contract efforts.</p> <p>The estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information.</p> <p>(Refer note 2.3(i), 2.9 and 47 to the standalone financial statements).</p>	<p>allocation of consideration to performance obligations, measurement of efforts incurred and process around estimation of efforts required to complete the performance obligations and the most appropriate method to recognise revenue.</p> <ul style="list-style-type: none"> <li>• On a selected sample of contracts, we tested that the revenue recognised is in accordance with the revenue recognition accounting standard. We: <ul style="list-style-type: none"> <li>- evaluated the identification of performance obligations;</li> <li>- considered the terms of the contracts to determine the transaction price, including adjustments for any sums payable to the customer;</li> <li>- determined if the Company's evaluation of the method used for recognition of revenue is appropriate;</li> <li>- tested the 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> </li> </ul>
<p><b>Implementation of a new Information Technology (IT) system</b></p> <p>With effect from 1 November 2021, the Company migrated from Peoplesoft system to SAP S/4 Hana (new IT system). The new IT system is used for managing and recording transactions relating to various processes including the revenue process, procurement process, treasury process, fixed assets processes and is the core IT system for financial reporting.</p> <p>Implementation of new IT system presents inherent risks including the loss of integrity of the key financial data being migrated and breakdown in operation or monitoring of IT-dependent controls within critical business processes, which could lead to financial errors or misstatements and inaccurate financial reporting.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Engaged IT specialists to understand the Company's process surrounding implementation of the new IT system;</li> <li>• Through the IT specialists, tested the General IT control environment of the new IT system, IT access and segregation of duties, as well as IT-dependent controls within critical business processes;</li> <li>• Where required, we performed testing on supplementary manual controls and additional substantive testing including using extended sample sizes to test the integrity of the transaction level data;</li> <li>• In relation to the system migration, we tested the controls specifically established over the implementation of the new IT system and migration of key financial data from the legacy system;</li> <li>• Performed independent verification of the data migration and reconciliation between legacy systems and the new IT system for a sample of general ledger and sub-ledgers.</li> </ul>



## 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 AND BOARD OF DIRECTORS' RESPONSIBILITIES 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, the 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 the Board of Directors 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 auditor's 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone 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 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 auditor's 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, 2020 ("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.
2. (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 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 32 to the standalone financial statements;
  - b. 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 34 (B) to the standalone financial statements;
  - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - d.
    - i. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
      - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
      - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
    - ii. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
      - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
      - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
    - iii. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
  - e. With reference to the dividend declared or paid during the year by the Company incorporated in India:
    - i. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act;
    - ii. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Companies Act, 2013 to the extent it applies to payment for dividend; and
    - iii. As stated in note 19 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

(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 **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Jamil Khatri**

Partner

Place: Mumbai

Membership No. 102527

Date: 13 May 2022

UDIN: 22102527AIXEBV9705

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF TECH MAHINDRA LIMITED FOR THE YEAR ENDED 31 MARCH 2022

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 2022, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. 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, the title deeds of immovable properties (other than immovable properties where the Company is the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company (including two leasehold properties):

Description of property	Gross carrying value (₹ million)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the company Also indicate if in dispute
Freehold land located at Bahadurpally, Survey No. 62/1A, Qutubullapur Mandal, Bahadurpally Village, District- Ranga Reddy, Hyderabad – 500043 measuring 581,711 square meters	190	Erstwhile Satyam Computers Services Limited	Not applicable	1 April 2011 till date	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.
Leasehold land located at Survey no. 1(P), 3(P), 8(P), 40(P), 71(P), 109, 152(P), MIHAN SEZ Area, Nagpur - 441108, measuring 518,241 square meters	470	Erstwhile Satyam Computers Services Limited	Not applicable	1 April 2011 till date	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.

Description of property	Gross carrying value (₹ million)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the company Also indicate if in dispute
Leasehold land located at Plot No. S - 1, Maitree Vihar Road, Chandrasekharpur, Bhubaneswar-751023, admeasuring 55,600 square meters	5	Erstwhile Satyam Computers Services Limited	Not applicable	1 April 2011 till date	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.

Also refer note 32.6 to the standalone financial statements.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company is a service company, primarily rendering information technology and related services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks or financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not

provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has not made any investments in firms or limited liability partnership. The Company has made investments in companies or any other parties, in respect of which the requisite information is as below.

- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided loans or provided advances in the nature of loans or stood guarantee, or provided security, during the year.

Amount in INR million

Particulars	Guarantee
Aggregate amount during the year:	
Subsidiaries *	-
Joint ventures *	-
Associates *	-
Others	-
Balance outstanding as at balance sheet date:	
Subsidiaries *	10,552
Joint ventures *	-
Associates *	-
Others	-

\* As per the Companies Act, 2013

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not given any guarantee or security or loans or advances in the nature of loans during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of a loan given, in our opinion the repayment of principal and payment of interest has not been stipulated as the amount are repayable on demand. As informed to us, the Company has made an application for the conversion of the said loan into equity. Further, the Company has not given any other loan or advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any loans / advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records and based on a legal opinion obtained by management, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Act have been complied with.
- (v) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Accordingly, the provisions of paragraph 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective July 1, 2017, these statutory dues has been subsumed into GST.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax (GST), Provident fund, Employees' State Insurance, Income-Tax, , Duty of Customs, Cess and other statutory dues have been regularly deposited by the company with the appropriate authorities.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to GST, Provident Fund, Employees State Insurance,

Income-Tax, Service tax, Duty of excise, Sales tax, Value added tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are included in Appendix 1.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any outstanding loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable .
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that there are no funds have been raised on a short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under Companies Act, 2013.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies as defined under Companies Act, 2013.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related



party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) (a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) (b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has six CIC as part of the Group.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

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

**Jamil Khatri**  
Partner

Place: Mumbai  
Date: 13 May 2022

Membership No. 102527  
UDIN: 22102527AIXEBV9705

**APPENDIX 1:**

<b>Name of the statute</b>	<b>Nature of the dues</b>	<b>Amount (₹)*</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
Employees Provident Fund & Miscellaneous Provisions Act, 1952	Provident fund (refer note 32.5)	2,448	March 2013 – April 2014	Central Government Industrial Tribunal
Income Tax Act, 1961	Income Tax	40	2004-2005	Honourable Supreme Court
Income Tax Act, 1961	Income Tax	6,029	2002-2003 to 2009-2010	Honourable High Court **
Income Tax Act, 1961	Income Tax	2,622	2005-2006 to 2011-2012	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	1,878	2001-2002 to 2016-2017	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	481	2011-2012 to 2013-2014	Assessing Officer
Finance Act, 1994	Service Tax	12,977	2008-2009 to 2013-2014	Supreme Court
Finance Act, 1994	Service Tax	2,540	2004-2005 to 2014-2015	Customs Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	4	2019	High Court
Andhra Pradesh VAT Act, 2005/ Central Sales Tax Act, 1956	Value Added Tax/ Sales Tax	231	2008-2009 to 2010-2011	High Court
Maharashtra Value Added Tax Act, 2002	Value Added Tax	32	2008-2009 to 2013-2014	Joint Commissioner of Sales Tax (Appeals)
Central Sales Tax Act, 1956	Central Sales Tax (Uttar Pradesh)	4	2008-2009	Additional Commissioner of Commercial Tax (Appeals)
Central Sales Tax Act, 1956	Central Sales Tax (Gujarat)	12	2006-2007 to 2008-2009	Deputy Commissioner of Commercial Tax (Appeals)
Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax	1	2009-2010	Sales Tax Appellate Tribunal
Goods and Service tax, 2017	Goods and service tax	8	January 2018 – March 2018	Joint Commissioner of Appeal-Pune States
Ghana – Internal Revenue Act 2000 and Income Tax Act 2015	Income Tax / Withholding Tax	78	April 2013 to March 2019	Commissioner General
Tanzania Revenue Authority	VAT / Income tax / Withholding tax	77	2015 - 2017	Regional Manager of Tanzania Revenue Authority
Saudi Arabia – General Authority	Withholding tax	137	2007-2009 2018-2020	Manager at General Authority of Zakat and Tax
Uganda tax	VAT and Withholding tax	118	2013 – 2018	Uganda Revenue Authority

\*Income tax demands are after set-off of advance taxes and carry forward losses.

\*\*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.

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF TECH MAHINDRA LIMITED FOR THE PERIOD ENDED 31 MARCH 2022**

### **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 2(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 2022 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 standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone 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 standalone 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").

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone 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 standalone 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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone 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 auditor's 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 standalone financial statements.

#### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS**

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with

reference to standalone 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 standalone 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 standalone financial statements.

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS**

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

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Jamil Khatri**

Partner

Membership No. 102527

Place: Mumbai

Date: 13 May 2022

UDIN: 22102527AIXEBV9705

# Balance Sheet

As at March 31, 2022

₹ in Million

	Note No.	As at	
		March 31, 2022	March 31, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	3	19,812	18,524
(b) Capital Work-in-Progress	3A	1,322	1,114
(c) Right-of-Use Asset	4	4,659	4,680
(d) Investment Property	5	797	891
(e) Goodwill	6	318	167
(f) Other Intangible Assets	7	6,158	6,215
<b>(g) Financial Assets</b>			
(i) Investments	8	115,649	74,982
(ii) Trade Receivables	9		
(1) Billed		-	-
(iii) Other Financial Assets	10	3,102	3,827
(h) Income Tax Assets (Net)		19,838	15,069
(i) Deferred Tax Assets (Net)	51	2,481	4,054
(j) Other Non-Current Assets	11	6,262	4,022
<b>Total Non - Current Assets</b>		<b>180,398</b>	<b>133,545</b>
<b>Current Assets</b>			
<b>(a) Financial Assets</b>			
(i) Investments	12	32,563	90,542
(ii) Trade Receivables -	13		
(1) Billed		60,276	51,526
(2) Unbilled		36,382	20,862
(iii) Cash and Cash Equivalents	14	11,944	9,880
(iv) Other Balances with Banks	15	1,124	621
(v) Loans	16	-	73
(vi) Other Financial Assets	17	6,930	7,606
(b) Other Current Assets	18	20,431	19,092
<b>Total Current Assets</b>		<b>169,650</b>	<b>200,202</b>
<b>Total Assets</b>		<b>350,048</b>	<b>333,747</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	19	4,859	4,841
(b) Other Equity	20	253,633	245,317
<b>Total Equity</b>		<b>258,492</b>	<b>250,158</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Lease liabilities		3,441	3,497
(ii) Other Financial Liabilities	21	2,956	2,462
(b) Provisions	22	5,845	4,930
(c) Other Non-Current Liabilities	23	646	783
<b>Total Non - Current Liabilities</b>		<b>12,888</b>	<b>11,672</b>
<b>Current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Lease liabilities		1,734	1,691
(ii) Trade Payables	44		
(1) Dues of micro and small enterprises		180	53
(2) Dues of creditors other than micro and small enterprises		30,612	25,225
(iii) Other Financial Liabilities	24	14,349	10,414
(b) Provisions	25	2,664	2,098
(c) Income Tax Liabilities (Net)		8,335	8,545
(d) Other Current Liabilities	26	8,490	11,587
<b>Total Current Liabilities</b>		<b>66,364</b>	<b>59,613</b>
Suspense Account (Net)	38 B	12,304	12,304
<b>Total Equity and Liabilities and Suspense Account</b>		<b>350,048</b>	<b>333,747</b>

See accompanying notes forming part of the Standalone Financial Statements

1 to 56

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

Mumbai, India

Date: May 13, 2022

**For Tech Mahindra Limited**
**C. P. Gurnani**

Managing Director &amp; CEO

**Milind Kulkarni**

Chief Financial Officer

Mumbai, India

Date: May 13, 2022

**T. N. Manoharan**

Director

**Anil Khatri**

Company Secretary

**Manoj Bhat**

Director

# Statement of Profit and Loss

For the year ended March 31, 2022

₹ in Million except Earnings per share

	Note No.	For the year ended	
		March 31, 2022	March 31, 2021
I		347,261	296,409
II	27	15,228	9,218
<b>III Total Income (I + II)</b>		<b>362,489</b>	<b>305,627</b>
<b>IV EXPENSES</b>			
Employee Benefit Expenses	28	110,542	91,626
Subcontracting Expenses		138,588	113,206
Finance Costs	29	636	632
Depreciation and Amortisation Expense	30	6,599	6,623
Other Expenses	31	38,609	36,835
Impairment of non-current investments in subsidiaries	37	4,669	1,439
<b>Total Expenses</b>		<b>299,643</b>	<b>250,361</b>
<b>V Profit before Tax (III-IV)</b>		<b>62,846</b>	<b>55,266</b>
<b>VI Less: Tax Expense</b>			
Current Tax		12,409	13,604
Deferred Tax		1,306	(729)
<b>Total Tax Expense</b>		<b>13,715</b>	<b>12,875</b>
<b>VII Profit after tax (V-VI)</b>		<b>49,131</b>	<b>42,391</b>
<b>VIII Other Comprehensive Income</b>			
A			
I. Items that will not be reclassified to Profit or Loss			
(a) Remeasurements of the Defined Benefit Liabilities - gain / (loss)		(337)	83
(b) Equity Instruments through Other Comprehensive Income - gain / (loss)		-	(13)
II. Income Tax relating to items that will not be reclassified to Profit or Loss		85	(63)
B			
I. Items that will be subsequently reclassified to Profit or Loss			
Effective portion of gain / (loss) on Designated Portion of Hedging Instruments in a Cash Flow Hedge (net)		1,685	3,422
II. Income Tax relating to items that will be reclassified to Profit or Loss		(352)	(976)
<b>Total Other Comprehensive Income / (Loss) (A+B)</b>		<b>1,081</b>	<b>2,453</b>
<b>IX Total Comprehensive Income (VII + VIII)</b>		<b>50,212</b>	<b>44,844</b>
<b>Earnings per Equity Share (Face Value ₹ 5) in ₹</b>	55		
Basic		50.48	43.76
Diluted		50.11	43.41
See accompanying notes forming part of the Standalone Financial Statements	1 to 56		

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

Mumbai, India

Date: May 13, 2022

**For Tech Mahindra Limited**

**C. P. Gurnani**

Managing Director & CEO

**Milind Kulkarni**

Chief Financial Officer

Mumbai, India

Date: May 13, 2022

**T. N. Manoharan**

Director

**Anil Khatri**

Company Secretary

**Manoj Bhat**

Director

# Statement of changes in Equity

## A. EQUITY SHARE CAPITAL

	₹ in Million	
Balance as of April 1, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
4,829	12	4,841
Balance as of April 1, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022
4,841	18	4,859

## B. OTHER EQUITY

Particulars	Share Application Money pending Allotment	Reserves and Surplus							Items of other comprehensive income			Total
		Capital Securities Premium reserve	Share Option Account	Capital Redemption Reserve	Special Economic Zone reinvestment Reserve	Retained Earnings	Cash Flow Hedging Reserve	Equity Instruments through Other Comprehensive Income				
<b>Balance as at April 1, 2020</b>	7	64	19,139	4,122	103	11,510	184,021	(723)	(338)	217,905		
Profit for the year	-	-	-	-	-	-	42,391	-	-	42,391		
Other Comprehensive Income (net of tax)	-	-	-	-	-	-	20	2,446	(13)	2,453		
<b>Total Comprehensive Income</b>	-	-	-	-	-	-	<b>42,411</b>	<b>2,446</b>	<b>(13)</b>	<b>44,844</b>		
Transfer to Special Economic Zone re-investment Reserve	-	-	-	-	-	8,609	(8,609)	-	-	-		
Transfer from Special Economic Zone re-investment Reserve on utilisation	-	-	-	-	-	(2,290)	2,290	-	-	-		
Transfer on allotment of Equity Shares	(525)	-	513	-	-	-	-	-	-	(12)		
Received on exercise of Stock options	575	-	-	-	-	-	-	-	-	575		
Share Based Payments to Employees (net)	-	-	-	1,346	-	-	-	-	-	1,346		
Dividends (including Tax on Dividend)	-	-	-	(96)	-	-	(19,335)	-	-	(19,335)		
Transfer to retained earnings on account of stock options lapsed	-	-	-	-	-	-	96	-	-	-		
Transfer from share option outstanding account on exercise of stock options	-	-	849	(849)	-	-	-	-	-	-		
Others	(6)	-	-	-	-	-	-	-	-	(6)		
<b>Balance as at March 31, 2021</b>	<b>51</b>	<b>64</b>	<b>20,501</b>	<b>4,523</b>	<b>103</b>	<b>17,829</b>	<b>200,874</b>	<b>1,723</b>	<b>(351)</b>	<b>245,317</b>		

₹ in Million

Particulars	Share Application Money pending Allotment					Reserves and Surplus					Items of other comprehensive income			Total
	Capital reserve	Securities Premium	Share Option Account	Share Outstanding	Capital Redemption Reserve	Special Economic Zone reinvestment Reserve	Retained Earnings	Cash Flow	Hedging through Reserve	Equity Instruments	Other Comprehensive Income			
<b>Balance as at April 1, 2021</b>	51	64	20,501	4,523	103	17,829	200,874	1,723	(351)				245,317	
Profit for the year	-	-	-	-	-	-	49,131	-	-	-	-	-	49,131	
Other Comprehensive Income (net of tax)	-	-	-	-	-	-	(252)	1,333	-	-	-	-	1,081	
<b>Total Comprehensive income</b>	-	-	-	-	-	-	<b>48,879</b>	<b>1,333</b>	-	-	-	-	<b>50,212</b>	
Transfer to Special Economic Zone re-investment Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer from Special Economic Zone re-investment Reserve on utilisation	-	-	-	-	-	(6,348)	6,348	-	-	-	-	-	-	
Received on exercise of Stock options	825	-	-	-	-	-	-	-	-	-	-	-	825	
Transfer on allotment of Equity Shares	(828)	-	814	-	-	-	-	-	-	-	-	-	(14)	
Share Based Payments to Employees (net)	-	-	-	928	-	-	-	-	-	-	-	-	928	
Dividends (refer note 19(iii))	-	-	-	-	-	-	(43,624)	-	-	-	-	-	(43,624)	
Transfer to retained earnings on account of stock options lapsed	-	-	-	(74)	-	-	74	-	-	-	-	-	-	
Transfer from share option outstanding account on exercise of stock options	-	-	1,380	(1,380)	-	-	-	-	-	-	-	-	-	
Others	(12)	-	1	-	-	-	-	-	-	-	-	-	(11)	
<b>Balance as at March 31, 2022</b>	<b>36</b>	<b>64</b>	<b>22,696</b>	<b>3,997</b>	<b>103</b>	<b>11,481</b>	<b>212,551</b>	<b>3,056</b>	<b>(351)</b>	<b>3,056</b>	<b>(351)</b>	<b>(351)</b>	<b>253,633</b>	



**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.

**Capital redemption reserve :**

As per Companies Act 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to nominal value of the shares so purchased is transferred to capital redemption reserve.

The reserve is utilized in accordance with the provisions of section 69 of Companies Act, 2013

**Share Option Outstanding Account :**

It represents the fair value of services received against employees stock options.

**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 Standalone 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  
Mumbai, India  
Date: May 13, 2022

**For Tech Mahindra Limited**

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

**Milind Kulkarni**  
Chief Financial Officer

Mumbai, India  
Date: May 13, 2022

**T. N. Manoharan**  
Director

**Anil Khatri**  
Company Secretary

**Manoj Bhat**  
Director

# Cash Flow Statement

For the year ended March 31, 2022

₹ in Million

	For the year ended	
	March 31, 2022	March 31, 2021
<b>A Cash Flow from Operating Activities</b>		
Profit before Tax	62,846	55,266
Adjustments for :		
Depreciation and Amortization Expense	6,599	6,623
Bad debts and advance written off, allowance/(reversal) of doubtful receivables/unbilled revenue and advances (net)	(1,138)	3,363
Net (gain)/loss on disposal of Property, Plant and Equipment and Intangible Assets	(42)	(29)
Finance Costs	636	632
Unrealized Exchange (gain)/Loss (net)	(1,741)	1,543
Share Based Payments to Employees	712	1,039
Impairment of non current investments	4,669	1,439
Interest Income	(783)	(1,690)
Rental Income	(349)	(306)
Dividend Income on Investments / Distributions from TML benefit trust	(5,621)	(2,905)
Gain on investments carried at fair value through profit and loss ( net)	(2,337)	(1,482)
Loss on fair valuation of contractual obligation	1,444	-
	<b>64,895</b>	<b>63,493</b>
Net change in:		
Trade Receivable and contract assets	(27,918)	11,297
Other financial assets and other assets	(4,067)	(1,425)
Trade Payables	5,570	109
Unearned revenue and deferred revenue	1,406	1,456
Other financial liabilities, other liabilities and provisions	7,197	2,714
	<b>(17,812)</b>	<b>14,151</b>
Cash generated from operating activities before taxes	47,083	77,644
Income taxes paid, net	(17,389)	(9,125)
<b>Net cash generated from Operating activities (A)</b>	<b>29,694</b>	<b>68,519</b>
<b>B Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment and Intangible Assets	(5,891)	(4,179)
Proceeds from Sale of Property, Plant and Equipment and Intangible Assets	74	47
Purchase of Mutual Funds, Debentures and Other Investments	(195,720)	(275,773)
Proceeds from sale/ redemption of Mutual Funds, Debentures and Other Investments	255,045	229,335
Dividend Income on Investments / Distributions from TML benefit trust	5,621	2,656
Investment in Associate and Subsidiaries (including payment towards acquisition of business(net of cash acquired))	(43,587)	(11,024)
Rental Income	525	293
Fixed Deposit / Margin Money Placed	(541)	(15,708)
Fixed Deposit / Margin Money Realized	291	16,068
Interest income received	905	2,077
<b>Net cash generated / (used in) from investing activities (B)</b>	<b>16,722</b>	<b>(56,208)</b>

₹ in Million

	For the year ended	
	March 31, 2022	March 31, 2021
<b>C Cash Flow from Financing Activities</b>		
Proceeds from issuance of equity shares from exercise of stock options	819	568
Payment of dividend	(43,624)	(19,335)
Repayment of lease liabilities	(1,199)	(1,262)
Finance costs paid	(567)	(632)
<b>Net cash from/(used in) Financing activities (C)</b>	<b>(44,571)</b>	<b>(20,661)</b>
<b>Net Increase/(decrease) in cash and cash equivalents during the year (D) = (A+B+C)</b>	<b>1,845</b>	<b>(8,350)</b>
Effect of exchange rate changes on cash and cash equivalents (E)	219	192
<b>Cash and Cash Equivalents at the beginning of the year (F)</b>	<b>9,880</b>	<b>18,038</b>
<b>Cash and Cash Equivalents at the end of the year (G) = (D+E+F) (refer note 14)</b>	<b>11,944</b>	<b>9,880</b>

See accompanying notes forming part of the Standalone 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

Mumbai, India

Date: May 13, 2022

**For Tech Mahindra Limited**
**C. P. Gurnani**

Managing Director &amp; CEO

**Milind Kulkarni**

Chief Financial Officer

Mumbai, India

Date: May 13, 2022

**T. N. Manoharan**

Director

**Anil Khatri**

Company Secretary

**Manoj Bhat**

Director

# Notes forming part of the Financial Statements

For the year ended March 31, 2022

## 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 standalone financial statements for the year ended March 31, 2022 and authorized for issue on May 13, 2022.

## 2. SIGNIFICANT ACCOUNTING POLICIES:

### 2.1 Statement of Compliance:

These standalone 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 Companies (Indian Accounting Standards) Rules as amended from time to time.

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

These standalone 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 standalone 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. All assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle.

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 standalone 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 116 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 standalone 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 standalone financial statements, disclosure of contingent liabilities as at the date of the standalone 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.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. 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 allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

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, 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, 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 2.13.

#### 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, goodwill 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 2.8.

#### 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 2.17.

#### 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 2.12.

#### 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 2.8.

#### 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 and these are amortised on a straight line basis. 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.

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 leasehold improvements are amortized over the shorter of estimated useful life of the asset or the related lease term.

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 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 the standalone statement of profit and 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 the standalone statement of profit and 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:

At inception of the contract, the Company determines whether the contract is a lease or contains a lease arrangement. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### Company as a lessee

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability

adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the standalone statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to

the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in standalone statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

### Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from Customer Contracts to allocate the consideration in the contract.

## 2.7 Business Combination

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 Company. 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 expenses as incurred.



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 standalone statement of profit or loss.

### **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.

## **2.8 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 standalone 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 Company 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.

## 2.9 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.

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 based on the right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If invoicing is not consistent with value delivered, revenue is recognized as the services are performed. When services are performed through an indefinite number of repetitive acts over a specified period, revenue is recognised on a straight-line basis over the specified period unless some other method better represents the manner in which services are performed.

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 standalone 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 standalone 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.

## 2.10 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 standalone statement of profit and loss.

## 2.11 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 standalone statement of profit and 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 the standalone statement of profit and 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 standalone statement of 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 standalone 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 standalone statement of profit and loss in the same period in which gains/losses on the item hedged are recognised in the standalone statement of profit and loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the standalone 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 standalone 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 standalone 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.

## 2.12 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 which are charged to the standalone 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 standalone 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 of 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 standalone 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 standalone statement of profit and loss during the period when the employee renders the service.

**2.13 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 the standalone statement of profit and 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. 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 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.

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

### 2.14 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.

### 2.15 Research and development:

Research costs are recognised as an expense in the standalone statement of profit and loss in the period they are incurred. Development costs are recognised in the standalone 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.

### 2.16 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).

### 2.17 Provisions and Contingent Liabilities:

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.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

### 2.18. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its standalone financial statements.

The Company does not expect the other amendments to have any impact on the financial statements.

**NOTE 3 : PROPERTY, PLANT AND EQUIPMENT**

Particulars	₹ in Million								Total
	Freehold Land	Buildings	Computers	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Leasehold Improvements	
<b>Gross Block</b>									
<b>Cost as at April 01, 2020</b>	459	21,737	15,785	14,881	6,898	187	1,854	854	62,655
Additions	-	20	1,894	122	71	4	51	79	2,241
Deletions	-	-	255	45	36	18	11	219	584
Balance as at March 31, 2021	<b>459</b>	<b>21,757</b>	<b>17,424</b>	<b>14,958</b>	<b>6,933</b>	<b>173</b>	<b>1,894</b>	<b>714</b>	<b>64,312</b>
Additions	-	17	4,442	153	38	10	103	83	4,846
Deletions	-	-	397	112	74	9	15	14	621
Balance as at March 31, 2022	<b>459</b>	<b>21,774</b>	<b>21,469</b>	<b>14,999</b>	<b>6,897</b>	<b>174</b>	<b>1,982</b>	<b>783</b>	<b>68,537</b>
<b>Accumulated Depreciation / Amortisation</b>									
as at April 01, 2020	-	6,991	13,530	13,412	6,198	169	1,481	805	42,586
Depreciation	-	792	1,628	772	388	9	146	33	3,768
Deletions	-	-	255	37	32	17	11	214	566
Balance as at March 31, 2021	-	7,783	14,903	14,147	6,554	161	1,616	624	45,788
Depreciation	-	797	1,907	413	200	6	136	36	3,495
Deletions	-	-	358	103	65	9	14	9	558
Balance as at March 31, 2022	-	<b>8,580</b>	<b>16,452</b>	<b>14,457</b>	<b>6,689</b>	<b>158</b>	<b>1,738</b>	<b>651</b>	<b>48,725</b>
<b>Net Block as at March 31, 2022</b>	<b>459</b>	<b>13,194</b>	<b>5,017</b>	<b>542</b>	<b>208</b>	<b>16</b>	<b>244</b>	<b>132</b>	<b>19,812</b>
<b>Net Block as at March 31, 2021</b>	<b>459</b>	<b>13,974</b>	<b>2,521</b>	<b>811</b>	<b>379</b>	<b>12</b>	<b>278</b>	<b>90</b>	<b>18,524</b>

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. (Also refer note 32.4.1)
- Amounts less than ₹ 0.5 Million are reported as "0".
- Plant and Equipment includes electrical installations and equipments.



**NOTE 3A : CAPITAL WORK-IN-PROGRESS**

	As at 31 March 2022				Total
	< 1 year	1-2 year	2-3 year	> 3 year	
<b>Capital work-in-progress</b>					
Projects in Progress	552	466	300	4	1,322
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>552</b>	<b>466</b>	<b>300</b>	<b>4</b>	<b>1,322</b>
	As at 31 March 2021				Total
	< 1 year	1-2 year	2-3 year	> 3 year	
<b>Capital work-in-progress</b>					
Projects in Progress	622	416	12	64	1,114
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>622</b>	<b>416</b>	<b>12</b>	<b>64</b>	<b>1,114</b>

**NOTE 4 : RIGHT-OF-USE ASSETS**

₹ in Million

Particulars	Computers	Buildings	Leasehold Land (refer note 32.6)	Total
<b>Gross Block</b>				
Cost as at April 01, 2020	27	5,729	861	6,617
Additions	-	974	-	974
Deletions	-	550	-	550
<b>Balance as at March 31, 2021</b>	<b>27</b>	<b>6,153</b>	<b>861</b>	<b>7,041</b>
Additions	-	1,542	1	1,543
Deletions	-	706	-	706
<b>Balance as at March 31, 2022</b>	<b>27</b>	<b>6,989</b>	<b>862</b>	<b>7,878</b>
<b>Accumulated Depreciation</b>				
Cost as at April 01, 2020	24	1,175	35	1,234
Depreciation	2	1,435	35	1,472
Deletions	-	345	-	345
<b>Balance as at March 31, 2021</b>	<b>26</b>	<b>2,265</b>	<b>70</b>	<b>2,361</b>
Depreciation	1	1,392	35	1,428
Deletions	-	570	-	570
<b>Balance as at March 31, 2022</b>	<b>27</b>	<b>3,087</b>	<b>105</b>	<b>3,219</b>
<b>Net Block as at March 31, 2022</b>	<b>-</b>	<b>3,902</b>	<b>757</b>	<b>4,659</b>
<b>Net Block as at March 31, 2021</b>	<b>1</b>	<b>3,888</b>	<b>791</b>	<b>4,680</b>

Notes:

i) Amounts less than ₹ 0.5 Million are reported as "0".

**NOTE 5 : INVESTMENT PROPERTY**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Investment Properties	797	891

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>I. Gross Block</b>		
Opening Balance	1,941	1,941
Additions	-	-
Closing Balance	<b>1,941</b>	<b>1,941</b>
<b>II. Accumulated depreciation</b>		
Opening Balance	1,050	944
Depreciation	94	106
Closing Balance	<b>1,144</b>	<b>1,050</b>
<b>Net Block as at March 31, 2022 (I-II) (refer note 41)</b>	<b>797</b>	<b>891</b>

**NOTE 6 : GOODWILL**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening Balance	167	-
Acquisition (refer note 32.2 (vii))	151	167
Closing Balance	<b>318</b>	<b>167</b>

Note: For the purposes of impairment assessment, goodwill is allocated to the operating divisions which represent the lowest level within the Company at which goodwill is monitored for internal management purposes, which is not higher than the operating segments. The recoverable amount of the unit is determined based on discounted cash flows and the key assumptions used are discount rate, budgeted growth rates and terminal value growth rate. The estimated recoverable amount of the unit exceeds the carrying amount of goodwill for the respective cash generating units. Refer note 32.2 for details of the respective cash generating units.

**NOTE 7 : OTHER INTANGIBLE ASSETS**

₹ in Million

Description of Assets	Customer relationship and other intangibles	Intellectual property rights	Software	Total
<b>I. Gross carrying value</b>				
<b>As at April 1, 2020</b>	-	8,939	6,279	15,218
Additions	-	-	336	336
Additions on Acquisition (refer note 32.2 (iii))	261	-	-	-
Deletions	-	-	4,760	4,760
<b>As at March 31, 2021</b>	<b>261</b>	<b>8,939</b>	<b>1,855</b>	<b>11,055</b>
Additions	-	-	1,047	1,047
Additions on Acquisition (refer note 32.2 (vii))	478	-	-	478
Deletions	-	-	3	3
<b>Balance as at March 31, 2022</b>	<b>739</b>	<b>8,939</b>	<b>2,899</b>	<b>12,577</b>
<b>II. Accumulated amortisation</b>				
<b>Balance as at April 1, 2020</b>	-	2,235	6,075	8,310
Amortisation expense	19	894	364	1,277
Deletions	-	-	4,747	4,747
<b>Balance as at March 31, 2021</b>	<b>19</b>	<b>3,129</b>	<b>1,692</b>	<b>4,840</b>
Amortisation expense	43	894	645	1,582
Deletions	-	-	3	3
Effect of foreign currency exchange differences				-
<b>Balance as at March 31, 2022</b>	<b>62</b>	<b>4,023</b>	<b>2,334</b>	<b>6,419</b>
<b>Net Block as at March 31, 2022 (I - II)</b>	<b>677</b>	<b>4,916</b>	<b>565</b>	<b>6,158</b>
<b>Net Block as at March 31, 2021 (I - II)</b>	<b>242</b>	<b>5,810</b>	<b>163</b>	<b>6,215</b>

**NOTE 8 : INVESTMENTS : NON CURRENT**

₹ in Million

Particulars	Currency	Face Value	Number of Shares as at		Balances as at	
			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>(A) In Subsidiaries , Associates, Joint Venture and Others</b>						
<b>(a) In Subsidiaries - unquoted, at cost</b>						
Tech Mahindra (Americas) Inc.	USD	1	300,391,874	170,521,745	28,298	13,170
Interest in TML Benefit Trust (refer note v below)					11,845	11,845
Tech Mahindra GmbH	EUR	1	26,000	26,000		
	EUR	25,000	1	1		
	EUR	50,000	1	1		
	EUR	500,000	1	1	391	391
Tech Mahindra (Singapore) Pte. Limited.	SGD	10	18,106,131	15,024,807	9,717	8,011
Tech Mahindra (Thailand) Limited.	THB	100	4,720,650	60,000	1,457	8
Less: Provision for diminution in value of investment (refer note 37)					1,457	-
					-	8
Tech Mahindra Foundation.	INR	10	50,000	50,000	1	1
PT Tech Mahindra Indonesia.	USD	1	500,000	500,000	22	22
Tech Mahindra (Beijing) IT Services Limited (refer note i below)	CNY	-	-	-	45	45
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
Less: Provision for diminution in value of investment (refer note 37)					46	1
					-	45
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	21,866,906	6,870	6,870
Tech Mahindra Holdco Pty Limited	ZAR	1	96	96	0	0
Tech Mahindra ICT Services (Malaysia) SDN. BHD.	MYR	1	10,654,000	10,654,000	171	171
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	-	-	-	855	855
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 S A.	BRL	1	194,189,059	59,135,059	4,382	2,412

₹ in Million

Particulars	Currency	Face Value	Number of Shares as at		Balances as at	
			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Less: Provision for diminution in value of investment (refer note 37)					4,382	2,412
Satyam Venture Engineering Services Private Limited	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
Sofgen Holdings Limited (refer note iii below)	EUR	1	13,739,910	5,362,910	2,216	1,473
Less: Provision for diminution in value of investment					738	738
					1,478	735
Nth Dimension Limited						
- In Equity Shares	GBP	0.01	1,000	1,000	-	-
- In Preference Shares	GBP	0.01	99,999,000	2,499,990	77	226
Less: Provision for diminution in value of investment (refer note 37)					77	-
					-	226
Tech Mahindra DRC Sarlu	USD	10	10,000	10,000	-	6
Tech Mahindra London Limited (Formerly known as Mahindra Engineering Services (Europe) Limited (refer note vi) .						
- In Equity Shares	GBP	1	262,026,578	10,065,000	25,981	1,005
- In Preference Shares	GBP	1	-	46,961,578	-	4,342
Less: Provision for diminution in value of investment (refer note 37)					-	536
					25,981	4,811
Tech Mahindra Arabia Limited	SAR	1,000	510	510	9	9
Tech Mahindra France	EUR	1	-	-	0	0
Tech Mahindra Netherlands B.V.	EUR	1	-	46,001	-	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	39,504,075	39,504,075	3,807	3,807
Less: Provision for diminution in value of investment					828	828
					2,979	2,979
The Bio Agency Limited (refer note iv below)	GBP	0.01	2	120,000	2,410	2,667
Less: Provision for diminution in value of investment					2,410	2,410
					-	257
Tech Mahindra Fintech Holdings Limited	GBP	0.01	5,875,001	5,875,001	9,681	9,681

₹ in Million

Particulars	Currency	Face Value	Number of Shares as at		Balances as at	
			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Less: Provision for diminution in value of investment					1,412	1,412
					8,269	8,269
Tech Mahindra Vietnam Company Limited (refer note i below)	VND	-	-	-	3	3
Dynacommerce Holdings B.V.	EUR	1	12,018,000	18,000	1,230	168
Born Commerce Private Limited	INR	10	6,425,285	6,425,285	873	873
Tech Mahindra LLC	USD				1	1
Cerium Systems Private Limited (refer note 32.2.(i))	INR	10	2,215,405	1,808,400	3,545	3,032
Zen3 Infosolutions Private Limited (refer note 32.2.(ii))	INR	10	1,000,000	1,000,000	141	141
Tech Mahindra (Switzerland) SA	CHF	1,000	1,700	1,700	349	340
Less: Provision for diminution in value of investment (refer note 37)					349	-
					-	340
Hitachi Rail Emea					-	-
Perigord Premedia India Private Limited (refer note 32.2.(iii))	INR	10	1,157,879	1,157,879	133	133
Perigord Data Solutions India Private Limited (refer note 32.2.(iii))	INR	10	208,187	208,187	101	101
Tech Mahindra Technology Services LLC	RUB		1	-	1	-
Digitalops Technology Private Limited	INR	10	10,000	-	0	-
Begig Private Limited	INR	10	3,000,000	-	30	-
Tech Mahindra Defence technologies Limited	INR	10	1,000,000	-	10	-
Tech Mahindra Spain SLU	EUR	10	18,000	-	2	-
Allyis India Private Limited (refer note 32.2.(v))	INR	10	799,771	-	194	-
<b>Sub total (a)</b>					<b>109,423</b>	<b>69,750</b>
<b>(b) In Associates and Joint venture - Unquoted, at cost</b>						
IQS Information Solutions WLL						
- In Equity Shares:	QAR	100	720	720	1	1
Less Provision for diminution in value of investment					1	1
					-	-
Info Tek Software & Systems Private Limited						
- In Equity Shares:	INR	10	244,450	244,450	76	76
- In Preference Shares:	INR	1,000,000	3	3	3	3
					79	79
Vitaran Electronics Private Limited						
- In Equity Shares:	INR	10	3,618	3,618	44	44
- In Preference Shares:	INR	500,000	3	3	2	2
					46	46
SCTM Engineering Corporation	JPY		2,000	2,000	69	69
<b>Sub total (b)</b>					<b>194</b>	<b>194</b>

₹ in Million

Particulars	Currency	Face Value	Number of Shares as at		Balances as at	
			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>(c) In other Investments</b>						
<b>- Unquoted</b>						
Dion Global Solutions Limited (carried at fair value through other comprehensive income)	INR	10	5,147,058	5,147,058	-	-
<b>Sub total (A) (a+b+c)</b>					<b>109,617</b>	<b>69,944</b>
<b>(B) In Bonds, Debentures ,Trusts</b>						
<b>-Unquoted</b>						
Treasury Bonds and Bills (carried at fair value through Profit and loss)					49	49
Term Deposits with Financial Institutions (carried at amortised cost)	INR	100,000	2,000	2,000	2,000	-
Non Convertible Debentures (carried at amortised cost)	INR	-	-	-	-	2,000
<b>-Quoted (carried at fair value through Profit and loss)</b>						
Non Convertible Debentures	INR	1,000,000	-	750	-	752
Perpetual Bonds	INR	1,000,000	2,000	2,250	3,983	2,237
<b>Sub total (B)</b>					<b>6,032</b>	<b>5,038</b>
<b>Total (A+B)</b>					<b>115,649</b>	<b>74,982</b>
Aggregate Amount of Quoted Investments					3,983	2,989
Aggregate Amount of Unquoted Investments					123,855	80,820
Aggregate Market Value of Quoted Investments					3,983	2,989
Aggregate Amount of Impairment in Value of Investments					12,189	8,827

Note :

- i) 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.
- ii) The number of shares held in Tech Mahindra De Mexico, S.DE R.L.DE C.V. comprise 1 share (March 31, 2021- 1) each of Peso 2,999 and Peso 1; fully paid up of Series A (fixed capital) and 1 share (March 31, 2021 - 1) of Peso 12,931,770 fully paid up of Series B (variable capital).
- iii) The number of shares held in Sofgen Holdings Limited comprise 13,739,910 Ordinary shares (March 31, 2021 - 5,362,910) and 27,062 shares of Class A (March 31, 2021 - 27,062).
- iv) The number of shares held in The Bio Agency Limited comprise 1 Class A Ordinary shares (March 31, 2021 - 102,000) and 1 Class B Ordinary shares (March 31, 2021 - 18,000)
- v) 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 the Company 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 the Company; the Trust holds 94,235,629 (March 2021: 94,235,629) shares of the Company.
- vi) During the year, Tech Mahindra London Limited has converted Preference shares 46,961,578 into 46,961,578 Ordinary shares.
- vii) Amounts less than ₹ 0.5 Million are reported as "0"

**NOTE 9 : TRADE RECEIVABLES : NON CURRENT**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Trade receivables Billed (refer Note 42)</b>		
Credit Impaired	2,367	2,367
Less: Allowance for credit impairment	2,367	2,367
<b>Total</b>	<b>-</b>	<b>-</b>

**NOTE 10 : OTHER FINANCIAL ASSETS : NON CURRENT**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>(Unsecured, considered good unless otherwise stated)</b>		
<b>Security Deposits</b>		
Considered good	943	1,069
Credit Impaired	16	16
Less : Allowance for expected credit loss	16	16
	<b>943</b>	<b>1,069</b>
<b>Advances to Related Parties (refer note 52)</b>		
Considered Good	-	538
Credit Impaired	-	444
Less: Allowance for expected credit loss	-	444
	<b>-</b>	<b>538</b>
<b>Lease Receivable (refer note 48)</b>	468	830
<b>Fixed Deposits / Margin Money Deposits having maturities of more than 12 months</b>	-	1
<b>Foreign currency derivative assets</b>	1,624	1,389
<b>Application money paid towards shares in subsidiary companies (refer note 37)</b>	1,374	-
Less: Provision for diminution in value of investment	1,307	-
	<b>67</b>	<b>-</b>
<b>Total</b>	<b>3,102</b>	<b>3,827</b>



**NOTE 11 : OTHER NON-CURRENT ASSETS**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>(Unsecured)</b>		
<b>- Considered good</b>		
Capital Advances	275	224
Prepaid Expenses	1,832	1,106
Deferred contract costs	2,554	1,306
Balance with Government Authorities	1,601	1,386
<b>Sub total</b>	<b>6,262</b>	<b>4,022</b>
<b>- Considered doubtful</b>		
Other Advances	387	387
Less: Allowance for amounts considered doubtful	387	387
<b>Sub total</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>6,262</b>	<b>4,022</b>

**NOTE 12 : INVESTMENTS : CURRENT**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>- Quoted</b>		
Investment in market linked debentures, non-convertible debentures (carried at fair value through profit and loss)	2,755	1,748
-Exchange Traded Funds (carried at fair value through Profit and loss)	1,008	-
<b>- Unquoted</b>		
Investment in Mutual Funds (carried at fair value through profit and loss)	26,300	80,794
Term Deposits with Financial Institutions (carried at amortised cost)	2,500	8,000
<b>Total</b>	<b>32,563</b>	<b>90,542</b>
Aggregate Amount of Quoted Investments	3,763	1,748
Aggregate Amount of Unquoted Investments	28,800	88,794
Aggregate Market Value of Quoted Investments	3,763	1,748

**NOTE 13 : TRADE RECEIVABLES : CURRENT**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Trade Receivables - Billed (Unsecured) (refer note 50)</b>		
Considered good	62,895	54,931
Less: Allowance for expected credit loss	2,619	3,405
	<b>60,276</b>	<b>51,526</b>
Credit Impaired	1,825	2,636
Less: Allowance for credit impairment	1,825	2,636
	-	-
	<b>60,276</b>	<b>51,526</b>
<b>Trade Receivables - Unbilled (Unsecured, Considered Good)</b>	36,382	20,862
<b>Total</b>	<b>96,658</b>	<b>72,388</b>

**NOTE 14 : CASH AND CASH EQUIVALENTS**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Balances with banks		
In Current Account	5,909	4,643
In Deposit Account (original maturities less than three months)	6,035	5,237
<b>Total</b>	<b>11,944</b>	<b>9,880</b>

**NOTE 15 : OTHER BALANCES WITH BANKS**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Earmarked Balances with Banks		
-Unclaimed Dividend	364	306
-Balances held as Margin Money/Security towards obtaining Bank Guarantees	114	61
-Balance held under Escrow Account	646	254
<b>Total</b>	<b>1,124</b>	<b>621</b>

**NOTE 16 : LOANS : CURRENT**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Loans to related parties (refer note 52)	-	73
<b>Total</b>	<b>-</b>	<b>73</b>

**NOTE 17 : OTHER FINANCIAL ASSETS : CURRENT**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>(Unsecured, considered good unless otherwise stated)</b>		
<b>Interest Receivable</b>		
On Bank deposits	2	1
On Term Deposits with Financial Institutions	84	276
On Non Convertible Debentures	184	107
On Loans	-	9
	<b>270</b>	<b>393</b>
<b>Lease Receivable</b>	511	701
<b>Advances to Related Parties (refer note 52)</b>	896	1,286
<b>Contractually Reimbursable Expenses (refer note 52)</b>		
Considered Good	299	245
Credit Impaired	26	34
Less: Allowance for expected credit loss	26	34
	<b>299</b>	<b>245</b>
<b>Foreign currency derivative assets</b>	3,983	3,980
<b>Others</b>	971	1,001
<b>Total</b>	<b>6,930</b>	<b>7,606</b>

**NOTE-18 : OTHER CURRENT ASSETS**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>(Unsecured)</b>		
<b>- Considered good</b>		
Advances to employees	562	350
Prepaid Expenses (refer note 52)	8,174	5,173
<b>Contract Asset (refer note 47)</b>	7,707	3,982
<b>Deferred contract costs</b>	828	1,059
Balance with Government Authorities	2,530	2,118
Other Advances (refer note below)	630	6,410
<b>Sub total</b>	<b>20,431</b>	<b>19,092</b>
<b>- Considered doubtful</b>		
Other Advances	341	328
Less: Allowance for amounts considered doubtful	341	328
<b>Sub total</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>20,431</b>	<b>19,092</b>

**Note: Other Advances mainly include :**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
- Amount deposited and held in escrow account towards Aberdeen UK settlement consideration and interest.(refer note 39)	-	4,983
- Amount deposited and held in escrow account towards Aberdeen US claims settlement consideration.(refer note 39)	-	877

**NOTE 19 : EQUITY SHARE CAPITAL**

Particulars	As at		As at	
	March 31, 2022		March 31, 2021	
	Number	₹ in Million	Number	₹ in Million
<b>Authorised</b>				
<b>Equity shares of ₹ 5/- each</b>	1,66,73,00,000	8,337	1,66,73,00,000	8,337
<b>Issued, Subscribed and Paid up</b>	97,18,33,479	4,859	96,82,60,067	4,841
Less: Equity Shares of ₹ 5 each fully paid up held by ESOP Trust but not allotted to employees	-	-	65,032	-
<b>Adjusted : Issued, Subscribed and Paid up Share Capital</b>	<b>97,18,33,479</b>	<b>4,859</b>	<b>96,81,95,035</b>	<b>4,841</b>
<b>Reconciliation of number of Equity Shares and amount outstanding</b>				
Shares outstanding at the beginning of the year	96,82,60,067	4,841	96,58,52,364	4,829
Shares issued during the period pursuant to employee stock option plans	35,73,412	18	24,07,703	12
<b>Total</b>	<b>97,18,33,479</b>	<b>4,859</b>	<b>96,82,60,067</b>	<b>4,841</b>
Less : Shares held by ESOP Trust	-	-	65,032	0
<b>Adjusted : Issued, Subscribed and Paid up Share Capital</b>	<b>97,18,33,479</b>	<b>4,859</b>	<b>96,81,95,035</b>	<b>4,841</b>

**Shareholding of promoters is as follows:**

Name of Shareholder	As at		As at		% Change during the year
	March 31, 2022		March 31, 2021		
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Mahindra & Mahindra Limited	24,80,22,598	25.52%	25,15,48,691	25.98%	-1.40%
TML Benefit Trust	9,42,35,629	9.70%	9,42,35,629	9.73%	0.00%
Mahindra Holdings Limited	1,98,201	0.02%	1,98,201	0.02%	0.00%
Mahindra - BT Investment Company (Mauritius) Limited	2,42,904	0.02%	2,42,904	0.03%	0.00%

- i) Each equity share entitles the holder to one vote and carries an equal right to dividend.
- ii) Refer note 54 for details relating to stock options.
- iii) On April 26, 2021 the Board of Directors of the Company had proposed a special dividend of ₹ 15 per share and final dividend of ₹15 per share in respect of year ended March 31, 2021 and shareholders at the Annual General Meeting held on 30 July 2021 approved the dividend amounting to ₹ 29,074 Million which is paid in the month of August 2021 . Further, special dividend of ₹ 15 per equity share which was approved on 25 October 2021 and paid in the month of December 2021 amounting to ₹ 14,550 Million. The amount is recognized as distribution to equity shareholders.

On May 13, 2022 the Board of Directors of the Company have proposed a special dividend of ₹ 15 per share and final dividend of ₹15 per share in respect of year ended March 31, 2022 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in cash outflow of ₹ 29,155 Million

- iv) 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 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.

**NOTE 20 : OTHER EQUITY**

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>-Share Application Money</b>		
Opening Balance	51	7
<b>Add</b> : Received during the year	825	575
<b>Less</b> :		
Transfer on allotment of Equity Shares	828	525
Others	12	6
<b>Closing Balance</b>	<b>36</b>	<b>51</b>
<b>- Capital Reserve</b>		
Opening Balance	64	64
<b>Closing Balance</b>	<b>64</b>	<b>64</b>
<b>- Securities Premium Account</b>		
Opening Balance	20,501	19,139
<b>Add</b> :		
Allotment of Equity Shares	814	513
Transferred from share option outstanding account on exercise of stock options	1,380	849
Others	1	0
<b>Closing Balance</b>	<b>22,696</b>	<b>20,501</b>
<b>- Share Options Outstanding Account (refer note 2.14 and note 54)</b>		
Opening Balance	4,523	4,122
<b>Add</b> : Amortisation of Share Based Payments to Employees (net)	928	1,346
<b>Less</b> :		
Transferred to Securities Premium Account on exercise of stock options	1,380	849
Transfer to Retained Earnings on account of stock options lapsed	74	96
<b>Closing Balance</b>	<b>3,997</b>	<b>4,523</b>
<b>- Capital Redemption Reserve</b>		
Opening Balance	103	103
<b>Closing Balance</b>	<b>103</b>	<b>103</b>
<b>Special Economic Zone Reinvestment Reserve</b>		
Opening Balance	17,829	11,510
<b>Add</b> : Transfer from Retained Earnings	-	8,609
<b>Less</b> : Transfer to Retained Earnings	6,348	2,290
<b>Closing Balance</b>	<b>11,481</b>	<b>17,829</b>
<b>- Retained Earnings</b>		
Opening balance	2,00,874	1,84,021
<b>Add</b> :		
Profit for the year	49,131	42,391
Other Comprehensive Income (net)	(252)	20
Transferred from Special Economic Zone re-investment reserve on utilisation	6,348	2,290
Transfer from Share Options Outstanding Account on account of options lapsed	74	96

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Less :</b>		
Dividends	43,624	19,335
Transferred to Special Economic Zone re-investment Reserve	-	8,609
<b>Closing Balance</b>	<b>2,12,551</b>	<b>2,00,874</b>
<b>- Cash Flow Hedging reserve (refer note 50)</b>		
Opening Balance	1,723	(723)
<b>Add :</b> Movement during the year (net)	1,333	2,446
<b>Closing Balance</b>	3,056	1,723
<b>- Equity Instruments through Other Comprehensive Income</b>		
Opening Balance	(351)	(338)
<b>Add :</b> Movement during the year (net)	-	(13)
<b>Closing Balance</b>	(351)	(351)
<b>TOTAL</b>	<b>2,53,633</b>	<b>2,45,317</b>

## NOTE 21: OTHER FINANCIAL LIABILITIES : NON CURRENT

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Contractual Obligation - acquisitions (refer note 32.2)	2,720	1,298
Foreign currency Derivative liabilities	164	1,056
Others	72	108
<b>Total</b>	<b>2,956</b>	<b>2,462</b>

## NOTE 22 : PROVISIONS : NON CURRENT

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Provision for employee benefits		
- Gratuity (refer note 45)	4,071	3,211
- Compensated absences and long service awards	1,774	1,719
<b>Total</b>	<b>5,845</b>	<b>4,930</b>

## NOTE 23 : OTHER NON-CURRENT LIABILITIES

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Unearned Revenue	646	783
<b>Total</b>	<b>646</b>	<b>783</b>

**NOTE 24: OTHER FINANCIAL LIABILITIES : CURRENT**

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Foreign currency Derivative Liabilities	205	1,400
Creditors for capital supplies/services	731	464
Accrued Salaries and Benefits	3,704	4,789
Unclaimed dividends	364	306
Contractual Obligation - acquisitions (refer note 32.2)	1,200	1,225
Contractual obligation- Customer arrangements	864	549
Others	7,281	1,681
<b>Total</b>	<b>14,349</b>	<b>10,414</b>

**NOTE 25 : PROVISIONS : CURRENT**

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Provision for employee benefits</b>		
- Gratuity (refer note 45)	732	350
- Compensated absences and long service awards	1,349	935
<b>Other Provisions</b>		
- Provision for Claims (refer note 34(A))	-	107
- Provision for Contingencies (refer note 35)	56	327
- Others (mainly includes provisions related to onerous contracts) (refer note 34 (B))	527	379
<b>Total</b>	<b>2,664</b>	<b>2,098</b>

**NOTE 26 : OTHER CURRENT LIABILITIES**

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Unearned Revenue	5,028	3,498
Statutory Dues	3,141	2,147
Others (refer note below)	321	5,942
<b>Total</b>	<b>8,490</b>	<b>11,587</b>

**Note: Others mainly include :**

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
- Aberdeen UK Claims settlement consideration (including interest)	-	4,983
- Aberdeen US claim settlement consideration	-	877



**NOTE 27 : OTHER INCOME**

₹ in Million

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Interest Income on financial assets	783	1,690
Interest income on Income tax refund	-	972
Dividend Income on Investments / Distributions from benefit trust	5,621	2,905
Net gain on Investments carried at fair value through profit and loss	2,337	1,482
Net gain/(loss) on disposal of Property, Plant and Equipment and Intangible Assets	42	29
Rental income	349	306
Foreign Exchange Gain / (Loss) (Net)	5,637	856
Miscellaneous Income	459	978
<b>Total</b>	<b>15,228</b>	<b>9,218</b>

**NOTE 28 : EMPLOYEE BENEFIT EXPENSES**

₹ in Million

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Salaries and wages	1,02,073	85,481
Contribution to provident and other funds	5,567	4,229
Gratuity	1,931	745
Share Based Payments to Employees	712	1,039
Staff welfare expenses	259	132
<b>Total</b>	<b>1,10,542</b>	<b>91,626</b>

**NOTE 29 : FINANCE COSTS**

₹ in Million

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Interest expense	241	222
Interest expense on lease liability	250	341
Others	145	69
<b>Total</b>	<b>636</b>	<b>632</b>

**NOTE 30 : DEPRECIATION AND AMORTISATION EXPENSE**

₹ in Million

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Depreciation / Amortisation on Property, Plant and Equipment and Intangible assets	5,077	5,046
Depreciation on Right of Use Asset	1,428	1,471
Depreciation on Investment Property	94	106
<b>Total</b>	<b>6,599</b>	<b>6,623</b>

**NOTE 31 : OTHER EXPENSES**

₹ in Million

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Power and Fuel Expenses	903	955
Short term Leases	308	320
Rates and Taxes	510	554
Communication Expenses	2,572	2,450
Travelling Expenses	2,153	1,488
Recruitment Expenses	1,761	580
Training	286	252
Cab Hire Charges	643	390
Legal and Other Professional Fees	2,447	2,388
Repair and Maintenance Expenses		
- Buildings (including leased premises)	270	305
- Machinery and Computers	3,129	2,777
- Others	518	618
	<b>3,917</b>	<b>3,700</b>
Insurance Charges	1,880	1,734
Software, Hardware and Project Specific Expenses	19,125	15,834
Advertisement, Promotion & Selling Expenses	1,009	406
Allowances for Doubtful Receivables/unbilled revenue and Bad Debts written off (net)		
- Provided / (Reversed) during the period	(1,181)	2,052
- Bad Debts written off	469	738
	<b>(712)</b>	<b>2,790</b>
Allowances for Doubtful Advances, Deposits and Advances written off (net)		
- Provided / (Reversed) during the period	(428)	453
- Advances written off	2	120
	<b>(426)</b>	<b>573</b>
Donations	33	14
Corporate Social Responsibility Expenditure (refer note (i) below)	1,086	1,052
Miscellaneous Expenses	1,114	1,355
<b>Total</b>	<b>38,609</b>	<b>36,835</b>

Note i: Corporate Social Responsibility Expenditure

- a. Gross amount required to be spent by the Company during the year is ₹ 1,086 Million (previous year ₹ 1,052 million) (calculated at 2% of the average net profits of the Company during the three immediately preceding financial years)

Sr No.	Particulars	For the year ended	
		March 31, 2022	March 31, 2021
1	Amount required to be spent by the Company during the year	1,086	1,052
2	Amount of expenditure incurred on:		
	(i) Construction/acquisition of any asset	621	-
	(ii) On purposes other than (i) above	465	1,052
3	Shortfall at the end of the year	-	-
4	Total of previous years shortfall	-	-
5	Reason for shortfall	Not Applicable	Not Applicable
6	Nature of CSR activities	Welfare Project expenses. Programm Support Cost , Academics Cost Technical Education & Construction of building for Educational Institute.	
7	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard		
	(i) Tech Mahindra Foundation	465	587
	(ii) Mahindra Educational institutions	621	465

## 32 COMMITMENTS AND CONTINGENCIES

### 32.1 Capital Commitments

The estimated amount of contracts remaining to be executed on capital account (net of capital advances) as at March 31, 2022 is ₹ 2,318 Million. (March 31, 2021: ₹ 2,050 Million).

### 32.2 Details of investments and purchase commitments

- i) Pursuant to a share purchase agreement, the Company acquired 51% stake in Cerium Systems Private Limited ("Cerium") on April 9, 2020 for a total consideration of ₹ 1,454 Million, out of which ₹ 916 Million was paid upfront. Further, the Company has entered into an agreement to purchase the remaining 49% stake over a period of three-year, ending March 31, 2023.

Subsequently, the Company paid ₹ 1,061 Million for acquiring 20% stake and earnout payment for first tranche. As at March 31, 2022, the contractual obligation towards the acquisition amounts to ₹ 3,320 Million. (March 31, 2021, ₹ 1,957 Million)

- ii) Pursuant to a share purchase agreement, the Company acquired 100% stake in Zen3 Infosolutions Private Limited on April 9, 2020 for a consideration of ₹ 141 Million.
- iii) Pursuant to a share purchase agreement, the Company acquired 100% stake in Perigord Premedia (India) Private Limited and Perigord Data Solutions (India) Private Limited on March 15, 2021 for a consideration of ₹ 133 million and ₹ 101 million, respectively.
- iv) Pursuant to a business purchase agreement, the Company acquired the business of TransSys Technologies Solutions LLC and its group companies ("TransSys Group") in October 2020 for a consideration of USD 4.84 million (₹ 354 million) (upfront consideration of USD 3.9 million (₹ 291 Million) and contingent consideration linked to financial performance).
- v) Pursuant to a share purchase agreement, the Company acquired 100% stake in Allyis India Private Limited on December 31, 2021 for a consideration of USD 2.6 Million (₹ 194 Million).
- vi) Pursuant to a business purchase agreement, the Company acquired the business of M/s BrainScale on December 03, 2021 for a total consideration of ₹ 154 Million.
- vii) Pursuant to a business purchase agreement, the Company acquired the business of Lodestone Software Services Private Limited on October 25, 2021 for a consideration of USD 6.7 Million (₹ 497.5 million).

#### Details of Acquisition under Ind AS 103:

Particulars	₹ in Million	
	As at	
	March 31, 2022*	March 31, 2021#
Fair value of net assets/(liabilities) as on the date of acquisition	5	(4)
Goodwill	201	97
Customer Relationship	445	261
Total Purchase Consideration	651	354

\*includes business of Lodestone Software Services Private Limited and M/s Brainscale.

#includes business of Transsys Technologies Solutions LLC and Its group companies.

### 32.3 Bank guarantees and letters of comfort

- i. Bank Guarantees outstanding as at March 31, 2022: ₹ 22,504 Million (March 31, 2021: ₹ 22,811 Million).
- ii. Letters of support/letters of comfort of USD 94 Million: ₹ 7,162 Million (March 31, 2021: USD 94 Million, ₹ 6,836 Million) to banks for loans availed by step down subsidiaries of the Company.

### 32.4 Contingent Liability for Taxation matters

Contingent Liabilities in respect of Income Taxes/ Service Tax/ GST/ 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, 2022	March 31, 2021
- Matters relating to Income Tax	28,155	28,133
- Matters relating to Service Tax/GST	15,518	17,935
- Matters relating to VAT/CST/Entry Tax/Custom Duty/Stamp Duty	289	278
- Matters relating to International Tax	503	493

#### 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, 2022	March 31, 2021
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	4,832	4,653
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
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 2. Disallowance of Cenvat credit for service tax paid under reverse charge mechanism related to overseas branches	164	3,196
Service Tax	TechM	Oct 2012 to Mar 2013	Service on settlement agreement signed by the Company with Aberdeen UK and Aberdeen US (including the penalty amount)	1,057	1,057
Andhra Pradesh VAT	Erstwhile MSat	2002-2003 to 2010-2011	Software development services considered as sale of goods	231	231
Washington Department of Revenue	TechM	2012-2017	Dispute on penalty payable for TML business and occupation taxes under WA audit	-	80
Uganda Revenue Authority	Tech M	2013-2018	Dispute on account of withholding taxes & VAT	118	112

#### Abbreviations:

TechM	Tech Mahindra Limited
Erstwhile MSat	Satyam Computer Services Limited

### 32.4.1 Footnotes to the Schedule above

#### 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 compiled by erstwhile Satyam. The BG has been extended up to October 14, 2022.

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 ₹ 7,928 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.

### 32.5 Other Claims on the Company not acknowledged as debts

- i. Claims against erstwhile Satyam not acknowledged as debt: ₹ 1,480 Million (March 31, 2021 ₹ 1,458 Million).
- ii. Claims made on the Company not acknowledged as debt: ₹ 297 Million (March 31, 2021 ₹ 231 Million).
- iii. The Company has received an order passed under section 7A of Employees Provident Fund & Miscellaneous Provisions Act, 1952 ("the Act") 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 does 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.

In addition, the Company has received a notice based on inquiry under section 7A of the Act 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.

The Company has assessed 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.

- iv. Other contingencies ₹ 407 Million (March 31, 2021 ₹ 407 Million).

**32.6 Title deeds of Immovable Property not held in the name of the Company:**

Relevant line item in Balance sheet	Description of property	Gross carrying value (INR million)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the company Also indicate if in dispute
Property, Plant and Equipment	Freehold land located at Bahadurpally, Survey No. 62/1A, Qutubullapur Mandal, Bahadurpally Village, District- Ranga Reddy, Hyderabad – 500043 measuring 581,711 square meters	190	Erstwhile Satyam Computers Services Limited	Not applicable	March 12, 2012 till date	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.
Right-Of-Use-Asset	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	Erstwhile Satyam Computers Services Limited	Not applicable	March 12, 2012 till date	The Company has not yet received the adjudication certificate. Mutation proceedings will be initiated after the adjudication certificate is received from the authority. The Maharashtra Airport Development company (MADC) has issued a claim against the Company for transfer of land and has claimed a transfer fee of 152 Million. The department has not yet issued the letter communication transfer fees.
Right-Of-Use-Asset	Leasehold land located at Plot No. S - 1, Maitree Vihar Road, Chandrasekharapur, Bhubaneswar-751023, admeasuring 55,600 square meters	5	Erstwhile Satyam Computers Services Limited	Not applicable	March 12, 2012 till date	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.

The Company does not have any benami Property under the Benami Transactions (Prohibition) Act, 1988.

**33 CODE OF SOCIAL SECURITY, 2020**

The Code on Social Security, 2020 ('Code') relating to employee benefits received the Presidential assent in September 2020. The effective date from which the changes are applicable is yet to be notified. The Company will evaluate and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

### 34 A. PROVISION FOR CLAIMS

The details of provision for claims are as follows:

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening balance	107	86
Provision made during the year	249	1,333
Reversals during the year	(51)	(9)
Utilisation/Netted with trade receivable during the year	(305)	(1,303)
<b>Closing balance</b>	<b>-</b>	<b>107</b>

### B. Other Provisions (mainly includes provisions related to onerous contracts)

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening balance	379	294
Provision made during the year	271	145
Reversals during the year	(123)	(60)
<b>Closing balance</b>	<b>527</b>	<b>379</b>

### 35 PROVISION FOR CONTINGENCIES

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

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening Balance	327	327
Add: Additions during the year	-	-
Less: Reversed during the year	(271)	-
<b>Closing Balance</b>	<b>56</b>	<b>327</b>

### 36 MERGER/AMALGAMATION OF ENTITIES

The Board of Directors of the Company at its meeting held on January 29, 2021 have approved the scheme of merger of Tech Mahindra Business Services Limited and Born Commerce Private Limited, two wholly owned subsidiaries with the Company. Subsequently, the Company has filed the application with Hon'ble jurisdictional National Company Law Board Tribunal ("the NCLT"). As on the date of the standalone financial statements, the Company is awaiting the order from the NCLT.



### 37 DIMINUTION IN VALUE OF INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

The Company has investments in subsidiaries and associates. These investments are accounted for at cost less impairment. Management assesses the operations of these entities, including the future projections, to identify indications of diminution, other than temporary, in the value of the investments.

In case where impairment triggers are identified, the recoverable amount of the investment is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized if the investment's carrying amount exceeds the greater of its fair value less costs to sell and value in use.

The performance in few of the subsidiaries and the relevant economic and market indicators have led the Company to reassess recoverable amount in the subsidiaries listed below, as at March 31, 2022.

Since the recoverable amount determined was lower than the carrying value of the respective investment, the Company has recognized an impairment loss of ₹ 4,669 Million for the year ended March 31, 2022 (March 31, 2021 ₹ 1,439 Million). Details of these investments are:

Name of Subsidiary	₹ in Million	
	March 31, 2022	March 31, 2021
Tech Mahindra Servicios De Informatica Ltda	1,970	-
Tech Mahindra Thailand Limited	1,457	-
Tech Mahindra Nigeria Limited	1,352	-
Tech Mahindra Switzerland Limited	349	-
Nth Dimension Limited	77	-
The Bio Agency Limited	-	668
Sofgen Holdings Limited	-	235
Tech Mahindra London Limited (Formerly Known as Mahindra Engineering services (Europe))	(536)	536
<b>Total</b>	<b>4,669</b>	<b>1,439</b>

Estimates of future cash flows used in the value-in-use calculation are specific to the entity based on business plans. The future cash flows consider potential risks given the current economic environment and key assumptions, such as volume forecasts and margins. The discount rate used in the calculation reflects market's assessment of the risks specific to the asset as well as time value of money.

The discount rate used to determine the investment's value in use as at March 31, 2022 are as follows:

Name of Subsidiary	March 31, 2022	March 31, 2021
Tech Mahindra Servicios De Informatica Ltda	21.66%	NA
Tech Mahindra Thailand Limited	16%	NA
Tech Mahindra Nigeria Limited	31.6%	NA
Tech Mahindra Switzerland Limited	16.12%	NA
Nth Dimension Limited	12.4%	NA
The Bio Agency	NA	21.6%
Sofgen Holdings Limited	NA	19.2%
Tech Mahindra London Limited (Formerly Known as Mahindra Engineering services (Europe))	NA	NA

(\*) Discount rate is pretax rate based on weighted average cost of capital of the entity.

The financial projections and future cash flows basis which investments have been tested for impairment consider the present economic situation which includes reassessment of the discount rates, revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis.

### **38 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

- 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 had, in the past, 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 with legal notices claiming repayment of the alleged advances aggregating to ₹ 12,304 Million together with damages/compensation @ 18% per annum till the date of repayment. The erstwhile Satyam had not acknowledged any liability and replied to the legal notices stating that the claims are not legally tenable.

Subsequently, the 37 companies filed petitions 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 of Andhra Pradesh in its Order approving the merger of the erstwhile Satyam with the Company, 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 the names of the said 37 companies 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 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. The matter is pending final adjudication.

Appeals were filed before the Division Bench of the Hon'ble High Court of Andhra Pradesh against the Order of the single judge of the Hon'ble High Court of Andhra Pradesh sanctioning the Scheme of merger of erstwhile Satyam with the Company w.e.f. April 1, 2011, which are yet to be heard.

Further, petition was filed by the 37 companies for winding-up of the erstwhile Satyam with the Hon'ble High Court of Andhra Pradesh which was subsequently rejected. One of the aforesaid companies also filed an appeal against the said order with the Division Bench of the Hon'ble High Court of Andhra Pradesh.

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 view of the aforesaid and based on an independent legal opinion, current legal status and lack of documentation to support the validity of the claim, the Management believes that the claim by the 37 companies for repayment of the alleged advances, including interest thereon will not be payable on final adjudication. As endorsed by the Hon'ble High Court in the scheme of merger, the said amount of ₹ 12,304 Million has been disclosed as "Amounts pending investigation suspense account (net)" ("Suspense Account (net)"), which override the relevant requirement of Conceptual Framework for Financial Reporting under Indian Accounting Standards (Ind AS). Accordingly, the amounts of these alleged advances are recorded separately from equity and liability of the Company in the books of account.

### **39 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 have obtained letters of indemnity from the claimants, indemnifying the Company in regard to future actions by Indian Income tax department in the current year and consequently remitted the Settlement amounts to Aberdeen trusts.

## 40 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 honor 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 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.

#### 41 DETAILS OF THE INVESTMENT PROPERTY AND ITS FAIR VALUE

The Company has assessed the fair valuation of its investment property from a Government registered independent valuer.

The fair values of investment properties are given below:

Description	₹ in Million	
	As at	
	March 31, 2022	March 31, 2021
Land	1,355	1,214
Building	757	777
<b>Total</b>	<b>2,112</b>	<b>1,991</b>

The company has not revalued any Property, Plant and Equipment, Investment Property and intangible property during the year.

#### 42 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.

43 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.

#### 44 AGEING FOR TRADE PAYABLES:

Particulars	Outstanding for following periods from due date of					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 year	
MSME*	82	98	-	-	-	180
	[37]	[8]	[5]	[3]	[-]	[53]
Others	8,777	2,927	240	102	294	12,340
	[9,326]	[2,152]	[94]	[95]	[217]	[11,884]
Disputed Dues-MSME	-	-	-	-	-	-
	[-]	[-]	[-]	[-]	[-]	[-]
Disputed Dues-Others	-	-	-	-	-	-
	[-]	[-]	[-]	[-]	[-]	[-]
<b>Total</b>	<b>8,859</b>	<b>3,025</b>	<b>240</b>	<b>102</b>	<b>294</b>	<b>12,520</b>
	<b>[9,358]</b>	<b>[2,160]</b>	<b>[99]</b>	<b>[98]</b>	<b>[217]</b>	<b>[11,937]</b>
<b>Accrued Expense</b>						<b>18,272</b>
						<b>[13,341]</b>
<b>Total Trade Payable</b>						<b>30,792</b>
						<b>[25,278]</b>

\*MSME as per Micro, Small and, Medium and Enterprises Development Act, 2006.

Note: Figures in bracket represents balances as at March 31, 2021.

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”.

Particulars	₹ In Million			
	As at March 31, 2022		As at March 31, 2021	
	Principal	Interest	Principal	Interest
Amounts due to vendor	180	-	53	-
Principal amounts paid (includes unpaid) beyond appointed date	65	-	18	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
Further interest due and payable even in the succeeding years, until such date when the interest dues	-	-	-	-

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 in the current year.

#### 45 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 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:

- ₹ 71 Million (March 31, 2021: ₹ 38 Million) for National Pension Scheme contributions.
- ₹ 461 Million (March 31, 2021: ₹ 357 Million) for Superannuation Fund contributions; and
- ₹ 4053 Million (March 31, 2021: ₹ 2,771 Million) for Provident Fund contributions.

##### ii. Defined Benefit Plan

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Company operates a scheme of gratuity which is a defined benefit plan. The gratuity plan is partially funded.

The following table sets out the Changes in Defined Benefit Obligation ('DBO') and Trust Fund plan assets recognized in the Balance Sheet are as under:

Particulars	₹ in Million	
	As at	As at
	March 31, 2022	March 31, 2021
	<b>Partially Funded</b>	<b>Partially Funded</b>
Defined benefit obligation at the beginning of the year	3,759	3,441
Current Service cost	733	549
Past Service Cost	941	-
Interest cost	270	208
Actuarial (gain)/loss – experience	404	(124)
Actuarial (gain)/loss – financial assumptions	(64)	43
Benefits paid	(1,027)	(357)
Others	-	(1)
Defined benefit obligation at the end of the year	<b>5,016</b>	<b>3,759</b>

Change in Fair Value of Plan Assets	₹ in Million	
	As at	
	March 31, 2022	March 31, 2021
Fair value of plan assets at the beginning of the year	198	184
Interest income on Plan Assets	12	12
Actuarial gain/(loss) on plan assets	3	2
<b>Fair value of plan assets at the end of the year</b>	<b>213</b>	<b>198</b>

Particulars	₹ in Million	
	As at	
	March 31, 2022	March 31, 2021
<b>Defined benefit obligation</b>	<b>5,016</b>	<b>3,759</b>
Fair Value of Plan Assets	(213)	(198)
<b>Net defined benefit obligation disclosed as:</b>	<b>4,803</b>	<b>3,561</b>
- Current provisions	732	350
- Non current provisions	<b>4,071</b>	<b>3,211</b>

As at March 31, 2022 and March 31, 2021 plan assets were primarily invested in insurer managed funds

Expense recognized in the Statement of Profit and Loss	₹ in Million	
	For the year ended	
	March 31, 2022	March 31, 2021
Current service cost	732	549
Past Service Cost	941	-
Interest cost on Defined Benefit obligation	270	208
Interest income on Plan Assets	(12)	(12)
<b>Expenses recognized in the Statement of Profit and Loss (refer note - 28)</b>	<b>1,931</b>	<b>745</b>

₹ In Million

Actuarial (Gain)/Loss recognized in Other Comprehensive Income	For the year ended	
	March 31, 2022	March 31, 2021
Actuarial (gain)/loss on defined benefit obligation	340	(81)
Actuarial (gain)/loss on plan assets	(3)	(2)
<b>Net (gain)/loss recognised in Other Comprehensive Income</b>	<b>337</b>	<b>(83)</b>

Principal Actuarial Assumptions (Non Funded)	As at	
	March 31, 2022	March 31, 2021
Discount Rate	6.20%	6.20%
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, 2022	March 31, 2021
1 year	972	563
1-2 years	967	565
2-3 years	976	633
3-4 years	965	680
4-5 years	1,140	723
5 years and beyond	4,354	3,185

**Sensitivity analysis:** A quantitative sensitivity analysis for significant assumption as at March 31, 2022 and March 31, 2021 is as shown below:

₹ in Million

Year	Effect on DBO on account of % change in the assumed rates:					
	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, 2022	(109)	114	118	(114)	(67)	81
March 31, 2021	(105)	111	108	(103)	(64)	95

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.



#### 46. AUDITORS' REMUNERATION (EXCLUSIVE OF GST)

Particulars	₹ in Million	
	For the year ended	
	March 31, 2022	March 31, 2021
Audit Fees (including quarterly audits and limited review)	45	40
For other service (certifications, etc.)	26	21
For taxation matters	4	4
For reimbursement of expenses	1	1
<b>Total</b>	<b>76</b>	<b>66</b>

#### 47. DISCLOSURES FOR REVENUE FROM CONTRACTS WITH CUSTOMERS

##### (i) Disaggregation of revenue

Revenue disaggregation by nature of services is as follows:

Nature of services	₹ in Million	
	For the year ended	
	March 31, 2022	March 31, 2021
IT Services	312,729	268,841
BPO	34,532	27,568
<b>Total</b>	<b>347,261</b>	<b>296,409</b>

Revenue disaggregation by geography is as follows:

Geography	₹ in Million	
	For the year ended	
	March 31, 2022	March 31, 2021
Americas	182,482	158,553
Europe	87,390	71,450
India	23,026	21,580
Rest of the world	54,363	44,826
<b>Total</b>	<b>347,261</b>	<b>296,409</b>

Note: Geographical revenue is allocated based on the location of the customer

Industry vertical wise:

Industry vertical	₹ in Million	
	For the year ended	
	March 31, 2022	March 31, 2021
Communications and Media & Entertainment	138,313	115,538
Manufacturing	51,384	44,159
Technology	28,276	30,160
Banking, Financial services and Insurance	54,192	46,795
Retail, Transport and Logistics	23,884	22,820
Others	51,212	36,937
<b>Total</b>	<b>347,261</b>	<b>296,409</b>

No single customer represents 10% or more of the Company's total revenue during the years ended March 31, 2022 and March 31, 2021.

**(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 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, 2022 other than those meeting the exclusion criteria mentioned above, is ₹ 358,110 Million. Out of this, the Company expects to recognise revenue of around 54% 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, 2022 and March 31, 2021 are as follows:

Particulars	₹ in Million	
	As at	
	March 31, 2022	March 31, 2021
<b>Contract assets:</b>		
<b>Opening Balance</b>	<b>3,982</b>	<b>3,664</b>
Add: Revenue recognised during the year	16,120	13,921
Less: Invoiced during the year	12,395	13,603
<b>Closing Balance (refer note 18)</b>	<b>7,707</b>	<b>3,982</b>

Changes in the Contractual liabilities (unearned revenue) balances during the year ended March 31, 2022 and March 31, 2021 are as follows:

Particulars	₹ in Million	
	As at	
	March 31, 2022	March 31, 2021
<b>Unearned revenue :</b>		
<b>Opening Balance</b>	1,029	1,203
Less: Revenue recognised that was included in the unearned revenue at the beginning of the year	925	1,199
Add: Invoiced during the year (excluding revenue recognized during the year)	1,023	1,025
<b>Closing Balance (refer note 23 &amp; 26)</b>	<b>1,127</b>	<b>1,029</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 ₹ 347,261 Million (March 31, 2021 ₹ 296,409 Million) which is adjusted by discounts of ₹9,619 Million (March 31, 2021 ₹ 12,555 Million) for the year ended March 31, 2022.

## 48 LEASES

### As a lessee:

The total cash outflow for leases is ₹1,199 Million (March 31, 2021 ₹ 1,262 Million) for the year ended March 31, 2022, including cash outflow for short term and low value leases.

### As a Lessor:

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, 2022 is ₹349 Million (year ended March 31, 2021: ₹ 306 Million). The future lease rentals receivable on such non-cancellable operating leases are as follows:

Particulars	₹ in Million		
	Not later than 1 year	Later than 1 year not later than 5 years	Later than 5 years
Minimum Lease rentals receivable	165 [162]	440 [498]	1,692 [1,786]

Figures in brackets represent amounts for the year ended March 31, 2021.

The Company has given hardware and Software on finance lease. The future lease rentals receivable are as follows:

Particulars	₹ in Million	
	As at	
	March 31, 2022	March 31, 2021
<b>Minimum lease receivables</b>		
- Less than one year	530	736
- One to five years	480	858
<b>Total</b>	<b>1,010</b>	<b>1,594</b>
<b>Present value of minimum lease receivables</b>		
- Less than one year	511	701
- One to five years	468	830
<b>Total</b>	<b>979</b>	<b>1,531</b>

#### 49 DISCLOSURE ON CASH AND NON-CASH CHANGES FOR LIABILITIES ARISING FROM FINANCING ACTIVITIES:

Mentioned below are the components of liabilities related to financing activities in cash flow for the year ended March 31, 2022 and March 31, 2021.

Particulars	Opening balance	Cash flow	Non- Cash changes		Closing Balance
			Net Additions to lease liability	Foreign Exchange Movement	
Lease liability	5,188	(1,199)	1,235	(49)	5,175
	[4,809]	[(1,262)]	[1,739]	[(98)]	[5,188]

Note: Figures in bracket represents balances as at March 31, 2021.

#### 50 FINANCIAL RISK MANAGEMENT FRAMEWORK

The Company's Board of Directors have an 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, 2022 is as follows:

Particulars	Fair value through P&L	Fair value through OCI	Derivative instruments in hedging relationship	Amortised cost	₹ in Million	
					Total carrying value	Total Fair Value*
<b>Assets:</b>						
Cash and cash equivalents	-	-	-	11,944	11,944	<b>11,944</b>
Other balances with banks	-	-	-	1,124	1,124	<b>1,124</b>
Trade receivables	-	-	-	96,658	96,658	<b>96,658</b>
Investments (Other than in Subsidiaries, Associates and interest in TML Benefit Trust)	34,095	-	-	4,500	38,595	<b>38,595</b>
Loans	-	-	-	-	-	-
Other financial assets	-	-	5,607	4,425	10,032	<b>10,032</b>
<b>Total</b>	<b>34,095</b>	<b>-</b>	<b>5,607</b>	<b>118,651</b>	<b>158,353</b>	<b>158,353</b>
<b>Liabilities:</b>						
Trade and other payables	-	-	-	30,792	30,792	<b>30,792</b>
Lease liabilities	-	-	-	5,175	5,175	<b>5,175</b>
Other financial liabilities	3,920	-	369	13,016	17,305	<b>17,305</b>
<b>Total</b>	<b>3,920</b>	<b>-</b>	<b>369</b>	<b>48,983</b>	<b>53,272</b>	<b>53,272</b>

The carrying value and fair value of financial instruments by categories as of March 31, 2021 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	-	-	-	9,880	9,880	<b>9,880</b>
Other balances with banks	-	-	-	621	621	<b>621</b>
Trade receivables	-	-	-	72,388	72,388	<b>72,388</b>
Investments (Other than in Subsidiaries, Associates and interest in TML Benefit Trust)	85,580	-	-	10,000	95,580	<b>95,580</b>
Loans	-	-	-	73	73	<b>73</b>
Other financial assets	-	-	5,369	6,064	11,433	<b>11,433</b>
<b>Total</b>	<b>85,580</b>	<b>-</b>	<b>5,369</b>	<b>99,026</b>	<b>189,975</b>	<b>189,975</b>
<b>Liabilities:</b>						
Trade and other payables	-	-	-	25,278	25,278	<b>25,278</b>
Lease liabilities	-	-	-	5,188	5,188	<b>5,188</b>
Other financial liabilities	2,523	-	2,456	7,897	12,876	<b>12,876</b>
<b>Total</b>	<b>2,523</b>	<b>-</b>	<b>2,456</b>	<b>38,363</b>	<b>43,342</b>	<b>43,342</b>

\*The fair value of cash and cash equivalents, other balances with bank, trade receivables, unbilled receivables, loans, trade payables, borrowings, lease liabilities 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 at net market value.

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, 2022			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual fund investments	26,300	-	-	26,300
Exchange Traded Funds	1,008	-	-	1,008
Treasury Bonds and bills	49	-	-	49
Non-convertible Debentures	2,755	-	-	2,755
Perpetual Bond	3,983	-	-	3,983
Derivative financial assets	-	5,607	-	5,607
<b>Total</b>	<b>34,095</b>	<b>5,607</b>	<b>-</b>	<b>39,702</b>
Financial Liabilities:				
Derivative financial Liabilities	-	369	-	369
Other financial liabilities	-	-	3,920	3,920
<b>Total</b>	<b>-</b>	<b>369</b>	<b>3,920</b>	<b>4,289</b>

₹ in Million

Particulars	As at March 31, 2021			
	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>				
Mutual fund investments	80,794	-	-	80,794
Equity Shares	-	-	-	-
Treasury Bonds and bills	49	-	-	49
Non-convertible Debentures	2,500	-	-	2,500
Commercial Papers	2,237	-	-	2,237
Derivative financial assets	-	5,369	-	5,369
<b>Total</b>	<b>85,580</b>	<b>5,369</b>	<b>-</b>	<b>90,949</b>
Financial Liabilities:				
Derivative financial Liabilities	-	2,456	-	2,456
Other financial liabilities	-	-	2,523	2,523
<b>Total</b>	<b>-</b>	<b>2,456</b>	<b>2,523</b>	<b>4,979</b>

### Significant unobservable inputs used in level 3 fair values:

Type	Valuation Techniques	Significant unobservable inputs	Inter relationship between significant unobservable inputs and fair value measurement
Contractual obligation	Discounted cash flow: The valuation model considers the present value of expected payment discounted using a risk adjusted discount rate. The expected payment is determined by considering the possible scenarios of forecast EBITDA the amount to be paid under each scenario and the probability of each scenario	- Forecasted EBITDA - Risk Adjusted Discount rate	The estimated fair value increase/ (decrease) in contractual obligation would not be significant for 10% sensitivity.

### 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 ₹158,353 and ₹ 189,975 Million as of March 31, 2022 and March 31, 2021 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.

### 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 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, 2022 and March 31, 2021. 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:

Particulars	₹ in Million	
	As at	
	March 31, 2022	March 31, 2021
Balance at the beginning of the year	9,124	7,094
Movement in the expected credit loss allowance on trade receivables and other financial assets:		
Provided during the year	1,064	3,956
Reversed/utilised during the year	(2886)	(1,926)
<b>Balance at the end of the year</b>	<b>7,302</b>	<b>9,124</b>

**Ageing for trade receivable - Non Current:**

₹ in Million

Particulars	Outstanding for following periods from due date of						Total
	Not Due	Less than 6Months	6months -1year	1-2 years	2-3 years	More than 3 year	
Disputed trade receivables-credit impaired	-	-	-	-	-	2,367	<b>2,367</b>
	[-]	[-]	[-]	[-]	[-]	[2,367]	<b>[2,367]</b>
Total	-	-	-	-	-	2,367	<b>2,367</b>
	[-]	[-]	[-]	[-]	[-]	[2,367]	<b>[2,367]</b>
Less : Allowances							<b>2,367</b>
							<b>[2,367]</b>
Total Trade Receivable - Billed - Non-Current							-
							<b>[-]</b>

Note: Figures in bracket represents balances as at March 31, 2021.

**Ageing for trade receivable - Current:**

₹ in Million

Particulars	Outstanding for following periods from due date of						Total
	Not Due	Less than 6 Months	6months -1year	1-2 years	2-3 years	More than 3 year	
Undisputed trade receivables-considered good	40,288	13,515	3,163	3,243	1,299	1,387	<b>62,895</b>
	[34,448]	[11,556]	[4,284]	[1,755]	[1,067]	[1,821]	<b>[54,931]</b>
Undisputed trade receivables-credit impaired	-	-	294	694	636	201	<b>1,825</b>
	[-]	[76]	[672]	[392]	[140]	[1,356]	<b>[2,636]</b>
Total	<b>40,288</b>	<b>13,515</b>	<b>3,457</b>	<b>3,937</b>	<b>1,935</b>	<b>1,588</b>	<b>64,720</b>
	[34,448]	[11,632]	[5,496]	[2,147]	[1,207]	[3,177]	<b>[57,567]</b>
Less: Allowances							<b>(4,444)</b>
							<b>[(6,041)]</b>
Trade Receivables - Billed							<b>60,276</b>
							<b>[51,526]</b>
Trade Receivable-Unbilled							<b>36,382</b>
							<b>[20,862]</b>
Total Trade Receivable-Current							<b>96,658</b>
							<b>[72,388]</b>

Note: Figures in bracket represents balances as at March 31, 2021.

**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, 2022	March 31, 2021
Financial Assets	USD	45,125	42,079
	EUR	10,392	6,236
	GBP	11,968	6,280
	AUD	6,212	4,097
	CAD	5,729	3,183
	Others	40,757	14,072
<b>Total</b>		<b>120,183</b>	<b>75,947</b>
Financial Liabilities	USD	17,275	15,790
	EUR	6,226	2,239
	GBP	1,731	1,585
	AUD	678	558
	CAD	1,977	520
	Others	31,609	2,624
<b>Total</b>		<b>59,496</b>	<b>23,316</b>

A reasonably possible strengthening by 1% of USD, GBP, EUR, AUD and CAD against the Indian Rupee as at March 31, 2022 and March 31, 2021 will affect the statement of profit and loss by the amounts shown below:

₹ in Million		
Currency	March 31, 2022	March 31, 2021
USD	279	263
EUR	42	40
GBP	102	47
AUD	55	35
CAD	38	27

## b) Foreign Exchange Contracts and Options

The Company 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 upto 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) (₹ in Million)
Forwards	GBP to USD 271 (March 31, 2021: 251)	677 (March 31, 2021: 1,494)
	EUR to USD 338 (March 31, 2021: 300)	1,450 (March 31, 2021: 280)
	AUD to USD 253 (March 31, 2021: 140)	(176) (March 31, 2021: 586)
	USD to CAD 190 (March 31, 2021: 140)	(174) (March 31, 2021: 390)
	USD to INR 2,195 (March 31, 2021: 1,987)	3,460 (March 31, 2021: (5,664))

The movement in hedging reserve for derivatives designated as Cash Flow Hedges is as follows:

Particulars	₹ in Million	
	As at March 31, 2022	As at March 31, 2021
(a) Balance at the beginning of the year	2,399	(1023)
(b) Changes in the fair value of effective portion of derivatives – Gain/(Loss)	1,046	3,555
(c) Net Gain/(Loss) reclassified to statement of profit and loss on occurrence of hedged forecasted transactions	639	(133)
(d) Gain/(loss) on cash flow hedging derivatives, net (b+c)	1,685	3,422
(e) Balance as at the end of the year (a+d)	4,084	2,399
(f) Tax Impact on effective portion of outstanding derivatives	(1,028)	(676)
<b>(g) Balance as at the end of the year, net of deferred tax (e+f)</b>	<b>3,056</b>	<b>1,723</b>

## 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, 2022:

				₹ in Million
Particulars	Less than 1 year	2-5 years	More than 5 years	Total
Non Derivative Financial Liabilities				
Trade Payables	30,792	-	-	30,972
Lease Liabilities	1,617	3,562	232	5,411
Other financial liabilities	14,177	2,792	-	16,969
<b>Total</b>	<b>46,586</b>	<b>6,354</b>	<b>232</b>	<b>53,172</b>
Derivative Financial Liabilities	205	164	-	369
<b>Total</b>	<b>46,791</b>	<b>6,518</b>	<b>232</b>	<b>53,541</b>

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2021:

				₹ in Million
Particulars	Less than 1 year	2-5 years	More than 5 years	Total
Non Derivative Financial Liabilities				
Trade Payables	25,278	-	-	25,278
Lease Liabilities	1,695	3,613	404	5,712
Other financial liabilities	9,013	1,493	-	10,506
<b>Total</b>	<b>35,986</b>	<b>5,106</b>	<b>404</b>	<b>41,496</b>
Derivative Financial Liabilities	1,400	1,056	-	2,456
<b>Total</b>	<b>37,386</b>	<b>6,162</b>	<b>404</b>	<b>43,952</b>

The Company has not availed borrowings from banks or financial institutions on the basis of security of current assets and is not declared a wilful defaulter by any bank or financial institutions or government or government authority.

## 51 CURRENT TAX AND DEFERRED TAX

The income tax expense for the year ended can be reconciled to the accounting profit as follows:

Particulars	₹ in Million	
	For the year ended	
	March 31, 2022	March 31, 2021
Profit before tax	62,846	55,266
Enacted tax rate*	25.17%	34.94%
Income tax expense calculated at enacted tax rate	15,818	19,312
Effect of income that is exempt from tax**	(3,374)	(8,646)
Impact of tax exemption which may not be fully utilized	-	2,207
Effect of expenses disallowed for tax purpose	1,492	737
Effect of change in tax rate *	301	-
Effect of tax on income at different rates	238	129
Effect of income taxes related to prior years	(690)	(201)
Others	(70)	(663)
<b>Income tax expense recognised in statement of profit and loss</b>	<b>13,715</b>	<b>12,875</b>

\*The Company is expected to transition to the concessional tax rate under section 115BAA of Income tax Act, 1961 during the current year

\*\*Includes allowance on utilization of Special Economic Zone reinvestment Reserve and dividend received from subsidiaries.

Current tax for the year ended March 31, 2022 includes tax expense with respect to foreign branches amounting to ₹1,454 Million (year ended March 31, 2021: ₹ 1,096 Million).

### Deferred Tax:

The following is the analysis of Deferred Tax Assets presented in the Balance Sheet:

Particulars	₹ in Million	
	As at	
	March 31, 2022	March 31, 2021
Deferred tax assets	3,800	4,875
Deferred tax liabilities	(1,319)	(821)
<b>Deferred tax assets (net)</b>	<b>2,481</b>	<b>4,054</b>

The tax effect of significant temporary differences that has resulted in deferred tax assets are given below:

Particulars	₹ in Million			
	For the year ended March 31, 2022			
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Closing balance
Employee Benefits	1,467	275	85	1,827
Property, Plant and Equipment	507	(366)	-	141
Provisions	2,098	(710)	-	1,388
Changes in fair value of derivatives designated as hedges	(821)	(145)	(352)	(1,318)
Other Items	803	(360)	-	443
<b>Net Deferred Tax Assets</b>	<b>4,054</b>	<b>(1,306)</b>	<b>(267)</b>	<b>2,481</b>

₹ in Million

Particulars	For the year ended March 31, 2021			Closing balance
	Opening balance	Recognised in Profit and loss	Recognised in OCI	
Employee Benefits	1,408	122	(63)	1,467
Property, Plant and Equipment	548	(41)	-	507
Provisions	1,554	544	-	2,098
Changes in fair value of derivatives designated as hedges	110	45	(976)	(821)
Other Items	744	59	-	803
Net Deferred Tax Assets	<b>4,364</b>	<b>729</b>	<b>(1,039)</b>	<b>4,054</b>

## 52 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

i. List of Related Parties as of March 31, 2022.

### Promoter having significant influence and its related parties:

Mahindra & Mahindra Limited\*

### Direct / Indirect Subsidiaries

Tech Mahindra (Americas) Inc. and its following subsidiaries:

- Tech Talenta Inc. (Merged with Tech Mahindra (Americas) Inc w.e.f February 28, 2022)
- Citisoft Inc
- Mad\*pow Media Solutions LLC
- The CJS solutions Group LLC
  - Tech Mahindra Healthcare Systems Holdings LLC (merged with CJS Solutions Group LLC w.e.f June 22, 2021)
  - Tech Mahindra Healthcare LLC (merged with CJS Solutions Group LLC w.e.f June 22, 2021)
  - Healthcare Clinical Informatics Limited
  - HCI Group Australia Pty Ltd
  - HCI Group UK Limited (dissolved w.e.f. September 29, 2020)
- Lightbridge Communications corporation ('LCC') and its following subsidiaries
  - Tech Mahindra Network Services International Inc.
  - Tech Mahindra Network Services Belgium
  - LCC Middle East FZ-LLC
  - LCC Engineering & Deployment Services Misr, Ltd (under liquidation)
  - LCC France SARL
  - LCC Telecom GmbH (Merged with Tech Mahindra GmbH w.e.f October 2, 2020)
  - LCC Design and Deployment Services Ltd.
  - LCC Italia s.r.l (Under Liquidation).
  - LCC Saudi Arabian Telecom Services Co, Ltd.
  - LCC Saudi Arabian Telecom Services Co. Ltd/Jordan WLL (under liquidation)
  - LCC Central America de Mexico, SA de CV
  - LCC Wireless Communications Services Marox, SARLAU
  - LCC Europe BV
  - LCC do Brasil Ltda (under liquidation)
  - LCC North Central Europe, B.V.
  - LCC Muscat LLC
  - LCC Networks Poland Sp.z.o.o
  - Lightbridge Communications Corporation LLC

- LCC Wireless Communications Espana, SA
- LCC Telekomunikasyon Servis Limited (Liquidated w.e.f December 17, 2021)
- LCC Deployment Services UK, Limited
- LCC United Kingdom, Limited
- Tech Mahindra S.A.
- Tech-Mahindra Bolivia S.R.L.
- Leadcom Integrated Solutions Tchad SARL (Liquidated w.e.f. March 21, 2022)
- Tech Mahindra Colombia S.A.S.
- Leadcom DRC SPRL
- Tech Mahindra Ecuador S. A.
- Leadcom Integrated Solutions (SPV) SAS
- Leadcom Gabon S.A.
- Leadcom Ghana Limited
- Tech Mahindra Guatemala S.A.
- Leadcom Integrated Solutions (L.I.S.) Ltd
- Societe de Telecommunications Africaine (STA) Abidjan
- Leadcom Integrated Solutions Kenya Limited
- Leadcom Integrated Solutions Myanmar Co., Ltd
- Leadcom Integrated Solutions International B.V.
- Tech Mahindra Costa Rica Sociedad Anonima
- Tech Mahindra Panama S.A.
- Tech Mahindra de Peru S.A.C.
- Leadcom Integrated Solutions Rwanda Ltd
- STA Dakar
- Leadcom Integrated Solutions Tanzania Ltd.
- Leadcom Uganda Limited
- Coniber S.A.
- Zen3 Infosolutions (America) Inc.
- Oslo Solutions LLC (Merged with Zen3 Infosolutions (America) Inc. w.e.f September 28, 2021)
- Zen3 Infosolutions Inc (Dissolved w.e.f July 19, 2021)
- Zen3 Information Technologies Limited (Dissolved w.e.f April 20, 2021)
- Tech Mahindra Credit Solutions Inc. (incorporated on August 17, 2020)
- Tech Mahindra Consulting Group Inc. (Formerly known as Objectwise Consulting Group Inc. Name changed w.e.f April 23, 2021)
- Digital OnUs Inc. and its following Subsidiaries (acquired w.e.f May 7, 2021)
  - Tech Mahindra Mexico Cloud Services,S.DE R.L.DE C.V (Formerly known as Digital OnUS S. De R.L de C.V. Name changed w.e.f August 27, 2021)
  - Digital OnUS Technologies Inc
- Healthnxt Inc (incorporated on April 27, 2021)
- Eventus Solutions Group, LLC (acquired on June 18, 2021)
  - Eventus Solutions Group UK Limited (acquired on June 18, 2021, dissolved on November 30, 2021)
- Infostar LLC (acquired on October 25, 2021)
- Brainscale Inc (acquired on November 17, 2021)
  - BrainScale Canada Inc (acquired on November 17, 2021)
- Activus Connect LLC (acquired on December 3, 2021)
- Activus Connect PR LLC (acquired on December 3, 2021)
- Green Investments LLC (acquired on December 31, 2021)
  - Allyis Technology Solutions Sociedad de Responsabilidad Limitada (acquired on December 31, 2021)

- Allyis Technologies S.R.L.(acquired on December 31, 2021)
- Allyis Inc (acquired on December 31, 2021)
- Allyis Technologies Canada Inc (acquired on December 31, 2021)

Tech Mahindra IT Services NL B.V (Formerly known as LCC network Services, B.V. Name Changed w.e.f May 4, 2021)

Digitalops Technology Private Limited (acquired w.e.f May 7, 2021)

Allyis India Private Limited (acquired on December 31, 2021)

Tech Mahindra Limited SPC (Incorporated on November 25, 2021)

Begig Private Limited (incorporated on April 22, 2021)

Zen3 Infosolutions Private Limited (acquired on April 9, 2020)

Tech Mahindra Cerium Private Limited (Formerly known as Cerium Systems Private Limited. Name changed w.e.f May 6, 2021) and its following subsidiaries: (acquired on April 9, 2020)

- Tech Mahindra Cerium Systems Inc. (Formerly known as Cerium Systems Inc. Name changed w.e.f December 14, 2020)
- Tech Mahindra Cerium Systems SDN. BHD. (Formerly known as Cerium Systems SDN. BHD. Name changed w.e.f November 27, 2020)

Tech Mahindra GmbH and its following subsidiaries:

- TechM IT-Services GmbH
- Tech Mahindra Norway AS
- Tech Mahindra Luxembourg S.a r.l. (incorporated on May 22, 2020)
- Beris Consulting GMBH (acquired on October 1, 2021)
  - Lineas Informationstechnik GmbH (acquired on October 1, 2021)

Tech Mahindra Technology Services LLC (Incorporated on December 31, 2020)

Tech Mahindra (Singapore) Pte Limited and its following subsidiaries:

- Geomatic.AI Pty Ltd (acquired on February 7, 2022)
- Tech Mahindra Products Services Singapore Pte. Limited (ownership changed w.e.f February 1, 2022)
- Born Group Pte. Ltd.
  - Group FMG Holdings B.V
  - Whitefields Holding Asia Ltd. (under liquidation)
  - Born Japan Kabhushiki Kaisha
  - Born Digital Sdn Bhd
  - Born Creative Commerce Group Inc. (closed w.e.f November 15, 2021)
  - Born London Ltd
  - We Make Websites Limited (acquired on October 25, 2021)
  - We Make Websites Inc (acquired on October 25, 2021)
  - Born Group Inc
  - TM Born Group CR Sociedad de Responsabilidad Limitada (incorporated on August 19, 2021)
  - Born Group HK Company Limited
- Comviva Technologies Singapore Pte.Limited (ownership change w.e.f November 16, 2021)
- Tenzing Limited (acquired on December 1, 2020)
- Tenzing Australia Limited (acquired on December 1, 2020)
- Tech Mahindra Digital Pty Ltd (Formerly Known as Momenton Pty Ltd (Name changed w.e.f July 23, 2021)

Born Commerce Private Limited (Application for Amalgamation was filed before NCLT, Chennai on February 23, 2021)

Tech Mahindra (Thailand) Limited

PT Tech Mahindra Indonesia

Tech Mahindra (Beijing) IT Services Limited

Tech Mahindra (Nigeria) Limited

Tech Mahindra Bahrain Ltd W.L. L

Tech Mahindra Business Services Limited (Application for Amalgamation was filed before NCLT, Mumbai on February 19, 2021)

Comviva Technologies Limited and its following subsidiaries:

- Comviva Technologies Madagascar Sarlu
- Comviva Technologies America Inc (incorporated on November 4, 2021)
- YABX Technologies (Netherlands) B.V.
  - Stichting YABX ESOP
- YABX India Private Limited (incorporated on July 15, 2020)
- Comviva Technologies Myanmar Limited
- Comviva Technologies FZ-LLC
- Comviva Technologies Nigeria Limited
- Comviva Technologies USA Inc
- Comviva Technologies Cote D'ivoire
- Comviva ESOP Trust
- Comviva Technologies B.V. and its following subsidiaries
  - Comviva Technologies Mexico, S de R.L. de C. (liquidated w.e.f March 3, 2021)
  - Comviva Technologies do Brasil Industria Comercio, Importacao e Exportacao Ltda (formerly known as ATS Advanced Technology Solutions do Brasil Industria Comercio, Importacao e Exportacao Ltda)
  - Comviva Technologies Colombia S.A.S
  - Comviva Technologies (Australia) Pty Ltd
  - Emagine International Pty Ltd (Application for Strike off on March 28, 2022)
  - Comviva Technologies (Argentina) S.A

Tech Mahindra (Shanghai) Co. Ltd

Tech Mahindra Holdco Pty Limited

- Tech Mahindra South Africa (Pty) Limited

Tech Mahindra (Nanjing) Co. Ltd

Tech Mahindra Technologies Inc.

Citisoft Limited (Re registration of Citisoft Plc to Private limited Company w.e.f November 8, 2021)

Satyam Venture Engineering Services Private Limited (subsidiary through Board control) and its following subsidiary

- Satyam Venture Engineering Services (Shanghai) Co Limited
- Satven GmbH

Tech Mahindra De Mexico S.DE.R.L.DE.C.V

vCustomer Philippines, Inc. and its subsidiary

- vCustomer Philippines (Cebu), Inc.

Tech Mahindra Servicios De Informatica S.A

- Tech Mahindra Servicios Ltda (incorporated on May 21, 2021 by Tech Mahindra Servicios De Informatica S.A)

Tech Mahindra ICT Services (Malaysia) SDN. BHD

Tech Mahindra London Limited (Formerly known as Mahindra Engineering Service (Europe) Limited Name changed w.e.f December 9, 2021) and its subsidiaries

- Tech Mahindra Communications Japan Co., Ltd (Formerly known as K – Vision Co. Ltd.)
- Inter-Informatics, spol. s r.o. and its following subsidiaries:( merged with TC inter-Informatics w.e.f March 1, 2021)
  - Inter-Informatics SRL (Dissolved w.e.f January 29, 2021)



- TC Inter-Informatics a.s.
  - Com Tec Co IT Ltd and its following subsidiaries (Acquired on January 17, 2022)
    - CTC Co SIA
    - CTDev LLC
  - Mahindra Engineering Services ESOP Trust
  - Mahindra Engineering Design and Development Company Limited-Superannuation Scheme
  - Perigord Asset Holdings Limited and its following subsidiaries (acquired on March 15, 2021)
    - Perigord Premedia Limited
    - Perigord Data Solutions limited
    - Perigord Premedia USA Inc
    - August Faller Artwork Solutions GmbH
- Perigord Premedia (India) Private Limited (acquired on March 15, 2021)
- Perigord Premedia (India) Private Limited Employees Group Gratuity Assurance Scheme
- Perigord Data Solutions (India) Private Limited (acquired on March 15, 2021)
- Perigord Data Solutions (India) Private Limited Employees Group Gratuity Assurance Scheme
- Sofgen Holdings Limited and its following subsidiaries
- Sofgen Ireland Limited (dissolved w.e.f May 5, 2020)
  - Sofgen Africa Limited
- Tech Mahindra (Switzerland) SA (formally known as Sofgen SA)
- Tech Mahindra DRC SARLU (Struck off w.e.f April 28, 2021)
- NTH Dimension Ltd
- Tech Mahindra Arabia Limited
- Tech Mahindra Netherlands B.V (Merged with Tech Mahindra IT Services NL B.V. on July 27, 2021)
- Tech Mahindra Sweden AB
- Tech Mahindra Spain S.L.
- Tech Mahindra France (Incorporated on January 16, 2020)
- Tech Mahindra LLC
- Tech Mahindra Chile SpA
- Tech Mahindra Vietnam Company Limited
- Tech Mahindra Defence Technologies Limited (incorporated on July 28, 2021)
- Tech Mahindra Fintech Holdings Limited and Its following subsidiaries:
- Target TG Investments Limited (dissolved w.e.f July 20, 2021)
  - Target Group Limited
    - Elderbridge Limited
    - Target Servicing limited
    - Target Financial System Limited (Dissolved w.e.f March 8, 2022.)
    - Harlosh Limited
- The Bio Agency Limited (Application made to Strike off on December 31, 2021)
- PF Holdings B.V. and its subsidiaries
- Pininfarina S.p.A. and its following subsidiaries
    - Pininfarina of America Corp.
    - Pininfarina Deutschland Holding GmbH
    - Pininfarina Shanghai Co., Ltd
    - Pininfarina Engineering S.r.l. (under liquidation)
    - Pininfarina Deutschland GmbH
- Dynacommerce Holding B.V.
- Dynacommerce B.V. (under amalgamation)
  - Dynalean B.V. (merged with Dynacommerce B.V. w.e.f August 11, 2020)

TML Benefit Trust  
 Satyam Associates Trust  
 Sofgen India Pvt Ltd Employees Gratuity Fund

#### **Associates**

Avion Networks, Inc.  
 SARL Djazatech  
 EURL LCC UK Algeria  
 Signature S.r.l.  
 Goodmind S.r.l.  
 Infotek Software and Systems Private Limited  
 Vitaran Electronics Private Limited  
 SWFT Technologied limited (w.e.f January 17, 2022)  
 Surance Ltd (w.e.f January 17, 2022)

#### **Joint Venture**

SCTM Engineering Corporation (Incorporated on December 23, 2020)

#### **Other related parties**

Tech Mahindra Foundation  
 Mahindra Educational Institutions  
 TML Odd Lot Trust (dissolved w.e.f September 28, 2021)  
 Mahindra Satyam Foundation  
 Tech Mahindra Limited Superannuation Scheme  
 Tech Mahindra Limited Employees Gratuity Scheme  
 Tech Mahindra Limited Employees Gratuity Scheme

#### **Key Management Personnel**

Anand G. Mahindra – Non-Executive Chairman  
 C.P. Gurnani - Managing Director and Chief Executive Officer  
 Milind Kulkarni \$ - Chief Financial Officer  
 Manoj Bhat \$ - Non -Executive Director  
 Anil Khatri – Company Secretary  
 V.S. Parthasarthy & - Non -Executive Director  
 M. Rajyalakshmi Rao - Non-Executive Independent Director  
 T. N. Manoharan - Non-Executive Independent Director  
 M. Damodaran^ - Non-Executive Independent Director  
 Mukti Khaire – Non-Executive Independent Director  
 Haigreve Khaitan - Non-Executive Independent Director  
 Shikha Sharma- Non-Executive Independent Director  
 Dr. Anish Shah - Non-Executive Director

^up to March 31, 2022

\*includes subsidiaries of Mahindra & Mahindra Limited

\$ Manoj Bhat has moved from his role of Chief Financial Officer end of day April 1, 2021 and he has been appointed as an Additional Director by the Board w.e.f. April 2, 2021. Milind Kulkarni has been appointed as the Chief Finance Officer w.e.f. April 2, 2021.

& Up to January 31,2021

ii. The Following table summarizes related party transactions and balances:

₹ in million						
Nature of Transaction	Promoter and its subsidiaries	Subsidiaries	Associate	Others	KMP	Total
Revenue from operations	1,577	21,537	-	-	-	<b>23,114</b>
	[1,565]	[16,356]	[-]	[-]	[-]	[17,921]
Sub-contracting cost	40	114,980	-	-	-	<b>115,020</b>
	[34]	[94,034]	[-]	[-]	[-]	[94,068]
Reimbursement of Expenses (Net) paid/(received)	394	2,290	-	1	-	<b>2,685</b>
	[(254)]	[2,437]	[-]	[-]	[-]	[2,183]
Travelling Expenses	77	-	-	-	-	<b>77</b>
	[15]	[-]	[-]	[-]	[-]	[15]
Software/Hardware and project specific expenses	-	217	-	-	-	<b>217</b>
	[-]	[224]	[-]	[-]	[-]	[224]
Rent Expenses	-	6	-	-	-	<b>6</b>
	[-]	[15]	[-]	[-]	[-]	[15]
Rental Income	-	70	-	85	-	<b>155</b>
	[-]	[79]	[-]	[137]	[-]	[216]
Corporate Social Responsibility expenditure /donations	-	-	-	1,086	-	<b>1,086</b>
	[-]	[-]	[-]	[1,052]	[-]	[1,052]
Remuneration to KMPs	-	-	-	-	672	<b>672</b>
	[-]	[-]	[-]	[-]	[264]	[264]
Commission/Sitting fees	-	-	-	-	98	<b>98</b>
	[-]	[-]	[-]	[-]	[67]	[67]
Dividend Paid	10,204	3,817	-	3	289	<b>14,313</b>
	[4,661]	[1,743]	[-]	[1]	[131]	[6,536]
Other Income	266	3,925	-	-	-	<b>4,191</b>
	[-]	[1,814]	[-]	[-]	[-]	[1,814]
Interest Income	159	-	-	-	-	<b>159</b>
	[404]	[2]	[-]	[-]	[-]	[406]
Dividend Income	-	1,810	-	-	-	<b>1,810</b>
	[-]	[1,149]	[-]	[-]	[-]	[1,149]
Redemption of Inter corporate deposit	5,000	-	-	-	-	<b>5,000</b>
	[-]	[-]	[-]	[-]	[-]	[-]
Redemption of Non-Convertible Debentures	1,500	-	-	-	-	<b>1,500</b>
	[-]	[-]	[-]	[-]	[-]	[-]
Investments in Inter Corporate Deposits	4,500	-	-	-	-	<b>4,500</b>
	[5,000]	[-]	[-]	[-]	[-]	[5,000]
Investments made in subsidiaries / associates/JV	-	43,189	-	-	-	<b>43,189</b>
	[-]	[9,535]	[-]	[-]	[-]	[9,535]
Advances paid/received (net)	-	1,370	-	-	-	<b>1,370</b>
	[-]	[270]	[-]	[-]	[-]	[270]

₹ in million

Nature of Closing balance	Promoter and it's subsidiaries	Subsidiaries	Associate	Others	KMP	Total
Loans	-	-	-	-	-	-
	[-]	[73]	[-]	[-]	[-]	[73]
Interest Receivable	85	-	-	-	-	<b>85</b>
	[-]	[9]	[-]	[-]	[-]	[9]
Advances Receivable	-	896	-	-	-	<b>896</b>
	[1]	[2,266]	[-]	[-]	[-]	[2,267]
Trade Receivables – Billed	786	11,997	-	84	-	<b>12,867</b>
	[422]	[9,441]	[-]	[-]	[-]	[9,863]
Trade Receivables - Unbilled	247	2,571	-	-	-	<b>2,818</b>
	[163]	[1,278]	[-]	[-]	[-]	[1,441]
Contractually Reimbursable expenses (Receivable)	34	-	-	-	-	<b>34</b>
	[56]	[-]	[-]	[-]	[-]	[56]
Prepaid Expenses	-	66	-	-	-	<b>66</b>
	[-]	[34]	[-]	[-]	[-]	[34]
Rent Receivable	-	-	-	316	-	<b>316</b>
	[-]	[-]	[-]	[209]	[-]	[209]
Investment Property	-	-	-	398	-	<b>398</b>
	[-]	[-]	[-]	[450]	[-]	[450]
Intercorporate Deposits	4,500	-	-	-	-	<b>4,500</b>
	[5,000]	[-]	[-]	[-]	[-]	[5,000]
Investment in Non-convertible Debentures	-	-	-	-	-	-
	[1,500]	[-]	[-]	[-]	[-]	[1,500]
Financial Guarantee Contracts	-	93	-	-	-	<b>93</b>
	[-]	[132]	[-]	[-]	[-]	[132]
Trade Payables	202	10,845	-	-	-	<b>11,047</b>
	[196]	[12,297]	[-]	[-]	[-]	[12,493]
Payable to KMP's	-	-	-	-	86	<b>86</b>
	[-]	[-]	[-]	[-]	[89]	[89]
Bank guarantee / corporate guarantee contracts / letters of support and letters of comfort	-	22,068	-	-	-	<b>22,068</b>
	[-]	[22,035]	[-]	[-]	[-]	[22,035]

Note: Figures in brackets represent transaction for the year ended March 31,2021 and closing balances as at March 31,2021 respectively.

- iii. Total Related Party Transactions and significant related party transactions for the year ended March 31, 2022 and March 31, 2021

		₹ In Million	
Nature of Transaction	Particulars	March 31, 2022	March 31, 2021
Revenue from operations		<b>23,114</b>	<b>17,921</b>
	Tech Mahindra LLC	7,684	4,385
	Tech Mahindra GmbH	4,384	5,165
	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	3,453	1,753
Sub-contracting cost		<b>115,020</b>	<b>94,068</b>
	Tech Mahindra (Americas) Inc.	80,387	72,853
Reimbursement of Expenses (Net)-paid/(Received)		<b>2,685</b>	<b>2,183</b>
	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	2,335	1,887
Travelling Expenses		<b>77</b>	<b>15</b>
	Mahindra Logistics Limited	77	15
Software/Hardware and project specific expenses		<b>217</b>	<b>224</b>
	Target Group Limited	217	222
Rent expenses		<b>6</b>	<b>15</b>
	Comviva Technologies Limited	3	14
	LCC Wireless Communications Espana, SA	3	1
Rental Income		<b>155</b>	<b>216</b>
	Tech Mahindra Technologies, Inc.	50	50
	Mahindra Educational Institutions	85	137
Corporate Social Responsibility Expenditure		<b>1,086</b>	<b>1,052</b>
	Tech Mahindra Foundation	465	587
	Mahindra Educational Institutions	621	465
Remuneration to KMPs (Including Salary, stock compensation benefits & post-employment benefits) @		<b>672</b>	<b>264</b>
	C. P. Gurnani	634	219
	Anil Khatri	12	7
	Manoj Bhat	-	38
	Milind Kulkarni	26	-
Commission/Sitting fees/ stock compensation benefits		<b>98</b>	<b>67</b>
	Non-Executive/Independent Directors	98	67

₹ In Million

Nature of Transaction	Particulars	March 31, 2022	March 31, 2021
Dividend Paid		<b>14,313</b>	<b>6,536</b>
	Mahindra & Mahindra Limited	10,188	4,654
	TML Benefit Trust	3,817	1,743
Other Income		<b>4,191</b>	<b>1,814</b>
	TML Benefit Trust	3,811	1,747
Interest Income on loans		<b>159</b>	<b>406</b>
	Mahindra & Mahindra Financial Services Limited	158	258
	Mahindra World City Developers Ltd	1	-
Dividend Income		<b>1,810</b>	<b>1,149</b>
	Tech Mahindra Business Services Limited	1,000	900
	Comviva Technologies Limited	437	-
	Tech Mahindra Technologies, Inc.	372	-
Redemption of Inter Corporate Deposit		<b>5,000</b>	<b>-</b>
	Mahindra & Mahindra Financial Services Limited	5,000	-
Redemption of Non Convertible Debentures		<b>1,500</b>	<b>-</b>
	Mahindra Rural Housing Finance	1,500	-
Investments in Inter Corporate Deposit		<b>4,500</b>	<b>5,000</b>
	Mahindra & Mahindra Financial Services Limited	2,000	5,000
	Mahindra World City Developers Limited	2,500	-
Investments made in subsidiaries		<b>43,189</b>	<b>9,535</b>
	Tech Mahindra (Americas) Inc.	15,128	283
	Tech Mahindra London Limited	20,634	2,515
Advances paid/received (net)		<b>1,370</b>	<b>270</b>
	Lightbridge communication corporation	8	16
	Tech Mahindra Norway AS	112	1
	Digital Onus Inc	335	-

Note: i. Disclosure of entity wise transactions are given for material transactions within each category.

ii. Additionally, an amount of ₹2 Million (March 31, 2021 ₹ 11 Million) is paid to a firm in which a Director is a Partner.

@ Employment benefits comprising gratuity and compensated absences are not disclosed as these are determined for the Company as a whole. Remuneration in nature of share based payments represents cost accrued during the period.

**Significant Closing Related Party Balances are as follows:**

₹ In Million

Balances as at	Particulars	As at March 31, 2022	As at March 31, 2021
Loans		-	73
	Tech Mahindra (Nigeria) Limited	-	73
Interest Receivable		<b>85</b>	<b>9</b>
	Mahindra & Mahindra Financial Services Limited	84	-
	Mahindra World City Developers Limited	1	-
Advances Receivable		<b>896</b>	<b>2,267</b>
	Lightbridge communication corporation	179	171
	Tech Mahindra Norway AS	114	2
	Digital Onus Inc.	335	-
Trade Receivables – Billed		<b>12,867</b>	<b>9,863</b>
	Tech Mahindra (Americas) Inc.	2,186	1,868
	Tech Mahindra South Africa (Pty) Limited	1,380	1,102
	Target Servicing Limited	1,362	790
Trade Receivables – Unbilled		<b>2,818</b>	<b>1,441</b>
	Tech Mahindra France SAS	502	-
	Tech Mahindra ICT Services (Malaysia) SDN. BHD.	422	254
Contractually Reimbursable expenses (Receivable)		<b>34</b>	<b>56</b>
	Mahindra & Mahindra Limited	34	56
Prepaid Expenses		<b>66</b>	<b>34</b>
	Born London Limited	16	7
	Tech Mahindra Business Services Limited	28	24
	Comviva Technologies Limited	12	3
Rent Receivable		<b>316</b>	<b>209</b>
	Mahindra Educational Institutions	316	209
Investment Property		<b>398</b>	<b>450</b>
	Mahindra Educational Institutions	398	450
Inter-corporate Deposits		<b>4,500</b>	<b>5,000</b>
	Mahindra & Mahindra Financial Services Limited	2,000	5,000
	Mahindra World City Developers Limited	2,500	-
Investment in Non-convertible Debentures		-	1,500
	Mahindra Rural Housing Finance Limited	-	1,500

₹ In Million

Balances as at	Particulars	As at	As at
		March 31, 2022	March 31, 2021
Financial Guarantee Contracts		93	132
	PF HOLDING BV	93	132
Trade Payables		11,047	12,493
	Tech Mahindra (Americas) Inc.	2,066	8,152
	Tech Mahindra GmbH	1,587	701

There are bank guarantee/corporate guarantee contracts, letters of support/letters of comfort issued on behalf of related parties amounting to ₹ ₹ 22,068 Million (March 31, 2021: ₹ 22,035 Million).

Amounts less than ₹ 0.5 Million are reported as "0"

Refer Note 8 for closing balance of investment. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

Note: Disclosure of entity wise balances are given for material transactions within each category.

#### iv. Disclosure under Rule 11(e) and 11 (f) of the Companies (Audit and Auditors) Rules, 2014:

SN	Name of intermediary	Date	Amount (₹ in Million)	Use of funds
1	Tech Mahindra (Americas) Inc.	19-July-21	2,400	Acquisition of 100% stake in Eventus Solutions Group, LLC (USA) and its subsidiaries.
2	Tech Mahindra (Singapore) Pte Limited	15-Sep-21	475	Acquisition of 100% stake in We Make Websites Limited (United Kingdom) and its subsidiaries.
3	Tech Mahindra (Americas) Inc.	12-Oct-21	2,250	Acquisition of 100% stake in Infostar LLC (USA).
4	Tech Mahindra (Americas) Inc.	25-Nov-21	3,000	Acquisition of 100% stake in Activus Connect LLC (USA) and its subsidiaries.
5	Tech Mahindra London Limited	27-Dec-21	19,475	Acquisition of 100% stake in Com Tec Co IT LTD (Cyprus) and its subsidiaries.
6	Tech Mahindra (Americas) Inc.	30-Dec-21	6,778	Acquisition of 100% stake in Green Investments LLC (USA) and its subsidiaries.
7	Tech Mahindra (Singapore) Pte Limited	15-Feb-22	324	Acquisition of 80% stake in GEOMATIC.AI PTY LTD (Australia).

The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act, 2013 and the above transactions are not violative of the Prevention of Money-Laundering Act, 2002.



### 53 DISCLOSURE AS 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 include:

			₹ In Million
Name of the company	Face Value of closing balance	Outstanding as at March 31,2022/ March 31, 2021	Maximum amount outstanding during the year*
Bajaj Finance Limited	-	-	<b>8,000</b>
	[-]	[-]	[2,000]
HDFC Limited	-	-	<b>3,000</b>
	[3,000]	[3,000]	[6,000]
Mahindra & Mahindra Financial Services Limited	<b>2,000</b>	<b>2,000</b>	<b>5,000</b>
	[5,000]	[5,000]	[5,000]
Mahindra world City Developers Limited	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>
	[-]	[-]	[-]
-Mahindra Rural Housing Finance Limited	-	-	<b>1,500</b>
	[1,500]	[1,748]	[1,500]
Tata Capital Financial Services Limited	-	-	-
	[-]	[-]	[3,250]
Aditya Birla Finance Limited	-	-	<b>3,000</b>
	[-]	[-]	[1,620]
Tata Sons Private Limited	-	-	-
	[-]	[-]	[300]
HDB Financial Services Limited	-	-	-
	[-]	[-]	[1,000]
Kotak Mahindra Investments Limited	<b>750</b>	<b>753</b>	<b>750</b>
	[750]	[752]	[2,750]
State Bank of India	<b>4,000</b>	<b>3,983</b>	<b>4,000</b>
	[2,250]	[2,237]	[2,250]
Citicorp Finance (India) Limited	<b>2,000</b>	<b>2,002</b>	<b>2,000</b>
	[2,000]	[2,000]	[3,500]

Note: Figures in brackets represent outstanding balances as at March 31,2021.

\* Represents face value of the investments.

#### b. For other investments and loans refer note 8 , 12 and 53

## 54 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 & ESOP 2018:

The Company has instituted 'Employee Stock Option Plan 2006' (ESOP 2006), 'Employee Stock Option Plan 2014' (ESOP 2014) and 'Employee Stock Option Plan 2018' (ESOP 2018) 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 grant for ESOP 2014 and ESOP 2018.

The vesting period of the above mentioned 5 ESOP Schemes, namely ESOP 2000, ESOP 2006, ESOP 2010, ESOP 2014 and ESOP 2018 are as follows:

Vesting percentage of options			
Service period from date of grant	ESOP 2000 and ESOP 2010	ESOP 2006	ESOP 2014 and ESOP 2018
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, 2022:

ESOP Scheme	Method of Settlement	Number of options granted during the year ended March 31, 2022	Grant date	Weighted average fair value
ESOP 2018	Equity settled Plans	457,000	April 26, 2021	873
ESOP 2014	Equity settled Plans	65,000	July 30, 2021	1,037
ESOP 2014	Equity settled Plans	110,000	October 23, 2021	1,369
ESOP 2018	Equity settled Plans	518,925	March 31, 2022	1,378

#### viii. Details of activity of the ESOP schemes

Movement for the year ended March 31, 2022 and year ended March 31, 2021:

ESOP Scheme	Particulars	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 2006	Number of options	56,800 [109,200]	- [-]	14,000 [-]	- [4,000]	16,800 [48,800]	26,000 [56,800]	26,000 [56,800]
	WAEP*	189.82 [212.3]	- [-]	- [-]	- [311.16]	230.5 [230.5]	171.38 [189.82]	171.38 [189.82]
ESOP 2010	Number of options	- [6,668]	- [-]	- [-]	- [-]	- [6,668]	- [-]	- [-]
	WAEP*	- [5]	- [-]	- [-]	- [-]	- [5]	- [-]	- [-]
TML ESOP B-2013	Number of options	146,384 [296,300]	- [-]	26,240 [584]	9,168 [54,012]	49,888 [95,320]	61,088 [146,384]	61,088 [146,384]
	WAEP*	333.8 [307.84]	- [-]	- [233]	307 [257]	391.59 [298.54]	331.57 [333.8]	331.57 [333.8]

ESOP Scheme	Particulars	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	89,980 (194,788)	- [-]	332 [20,000]	- [20,000]	50,400 [64,808]	39,248 [89,980]	39,248 [89,980]
	WAEP*	5 [5]	- [-]	- [5]	- [5]	5 [5]	5 [5]	5 [5]
ESOP A	Number of options	13,200 [22,600]	- [-]	1000 [-]	6,500 [6,400]	5,700 [3,000]	- [13,200]	- [13,200]
	WAEP*	30 [30]	- [-]	- [-]	30 [30]	30 [30]	- [30]	- [30]
ESOP 2014	Number of options	9,955,065 [11,783,279]	175,000 [870,000]	495,416 [403,230]	132,069 [252,250]	3,106,664 [2,042,734]	6,395,916 [9,955,065]	4,757,716 [6,075,765]
	WAEP*	214.81 [243.98]	5 [5]	240.33 [247.78]	601 [622]	259.71 [236.94]	177.31 [214.81]	177.31 [214.81]
ESOP 2018	Number of options	2,969,687 [2,717,560]	975,925 [565,500]	601,350 [163,300]	- [300]	349,660 [149,773]	2,994,602 [2,969,687]	445,333 [248,816]
	WAEP*	5 [5]	5 [5]	5 [5]	- [-]	5 [5]	5 [5]	5 [5]
Total	Number of options	13,231,116 15,130,395]	1,150,925 [1,435,600]	1,138,338 [587,114]	147,737 [336,962]	3,579,112 [2,410,703]	9,516,854 [13,231,116]	5,329,385 [6,630,945]

Note: Figures in bracket represents balances as at March 31, 2021

\* Weighted average exercise price

#### ix. Information in respect of options outstanding:

ESOP Scheme	Range of Exercise price	As at March 31, 2022		As at March 31, 2021	
		Number of Options Outstanding	Weighted average remaining life (in Years)*	Number of Options Outstanding	Weighted average remaining life (in Years)*
ESOP 2006	151-300	26,000	0	56,800	0
TML ESOP B-2013	151-300	37,088	0.05	81,620	0.21
TML ESOP B-2013	301-450	12,000	0.37	46,764	1.07
TML ESOP B-2013	451-600	12,000	0.83	18,000	1.33
TML RSU	5-150	39,248	0.55	89,980	0.95
ESOP A	5-150	-	-	13,200	0
ESOP-2014	5-150	4,229,777	4.60	5,857,549	5.25
ESOP-2014	301-450	1,062,995	2.26	1,971,025	3.20
ESOP-2014	451-600	16,500	3.14	32,100	3.04
ESOP-2014	601-750	1,086,644	0.92	2,094,391	1.59
ESOP 2018	5-150	2,994,602	6.27	2,969,687	6.64

\*Weighted average remaining life for options exercised pending allotment as at year end has been disclosed as '0'.

- x. The employee stock compensation cost for the Employee Stock Option Plan 2018, 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, 2022, the Company has accounted for employee stock compensation cost (equity settled) amounting to ₹ 712 Million (March 31, 2021: ₹ 1,039 Million). This amount is net of cost of options granted to employees of subsidiaries.
- xi. The fair value of each option is estimated on the date of grant using Black-Scholes-Merton model with the following assumptions:

Assumptions Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	ESOP 2018	ESOP 2014	ESOP 2018	ESOP 2014
Weighted average share price	1,142	1,246	802	675
Exercise Price	5	5	5	5
Expected Volatility (%)	30-35	30-35	30-33	30-33
Expected Life (in years)	2-6	2-6	2-6	2-6
Expected Dividend (%)	1-2	1-2	1-2	1-2
Risk Free Interest Rate (%)	5-6	5-6	5-6	5-6

## 55 EARNINGS PER SHARE:

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Profit after taxation	49,131	42,391
Equity Shares outstanding as at the end of the year (in nos.) *	971,833,479	968,195,035
Weighted average Equity Shares (in nos.) #	973,212,518	968,612,257
Add: Dilutive impact of employee stock options	7,187,772	7,861,777
Number of Equity Shares used as denominator for calculating Diluted Earnings Per Share	980,400,290	976,474,034
Nominal Value per Equity Share (in ₹)	5	5
Earnings Per Share (Basic) (in ₹)	50.48	43.76
Earnings Per Share (Diluted) (in ₹)	50.11	43.41

\*Net of shares held by ESOP trust.

# Adjusted for vested options exercisable for little or no consideration and shares held by ESOP Trust

## 56 ADDITIONAL REGULATORY INFORMATION

### i. Financial Ratios

Particulars	Numerator (1)	Denominator (2)	March 31, 2022 (3)=(1/2)	March 31, 2021 (3)= (1/2)	Variance %
Current Ratio (in times)	Total Current Assets	Total Current Liabilities	2.56	3.36	(23.88%)
Debt-Equity Ratio (in %)	Total Debt(1)	Total Shareholders' Equity	2.00%	2.07%	(3.47%)
Debt Service Coverage Ratio (in times)	Earnings available for debt service(2)	Debt Service(3)	32.40	28.76	12.64%
Return on Equity Ratio (in %)	Net Profit After Tax	Average Shareholders' Equity	19.32%	17.93%	7.75%
Trade Receivable Turnover Ratio (in times)	Revenue from operation	Average Trade Receivable	4.11	3.68	11.74%
Trade payable turnover ratio (in times)	Other Expenses	Average Trade Payables	6.32	5.94	6.44%
Net Capital Turnover Ratio (in times)	Revenue from operation	Net Working Capital(4)	3.36	2.11	59.47%*
Net Profit Ratio (in %)	Profit After Tax	Revenue from operation	14.15%	14.30%	(1.07%)
Return on Capital Employed (in %)	Earnings before interest and taxes	Average Capital employed(5)	24.24%	21.89%	10.73%
Return on investment	Income generated from invested funds	Average invested in treasury Investments	4.29%	3.95%	8.65%

(1) Debt represents lease liabilities

(2) Net Profit after tax +/- Non-Cash operating expenses / (income) + Interest

(3) Interest and Lease payments for the year

(4) Current Assets – Current Liabilities

(5) Net worth + lease liabilities

(\*) Increase in net capital turn over ratio is on account of reduction in investment in mutual funds which were utilized for investing activities during the year resulting in movement in the ratios.

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**

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

**T. N. Manoharan**  
 Director

**Manoj Bhat**  
 Director

**Jamil Khatri**  
 Partner  
 Membership No.102527

**Milind Kulkarni**  
 Chief Financial Officer

**Anil Khatri**  
 Company Secretary

Mumbai, India  
 Date: May 13, 2022

Mumbai, India  
 Date: May 13, 2022



**Consolidated  
Financial  
Statements**

# INDEPENDENT AUDITOR'S 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"), its associates and its joint venture, which comprise the consolidated balance sheet as at 31 March 2022, 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/consolidated financial statements of such subsidiaries 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, its associates and joint venture as at 31 March 2022, 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, its associates and joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

#### EMPHASIS OF MATTER

We draw attention to note 43B to the consolidated financial statements, which describes in detail certain matters relating to erstwhile Satyam Computer Services Limited ("erstwhile Satyam"), amalgamated with the Holding Company with effect from 1 April 2011. In accordance with the Scheme approved by the Honourable High Court of Hyderabad, Andhra Pradesh, the Holding Company has presented separately under "Suspense Account (net)" claims made by 37 companies in the City Civil Court, for alleged advances amounting to INR 12,304 million, to erstwhile Satyam. The Holding Company's management, on the basis of current legal status, lack of documentation to support the validity of the claims and external legal opinion believes that these claims will not be payable on final adjudication.

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 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.



**DESCRIPTION OF KEY AUDIT MATTER**

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<p><b>Revenue recognition on fixed price development contracts</b></p> <p>The Group engages in fixed price development contracts, including contracts with multiple performance obligations. Revenue recognition in such contracts involves judgments relating to identification of distinct performance obligations, determination of transaction price for such performance obligations and the appropriateness of the basis used to measure revenue over a period.</p> <p>In case of fixed price development contracts where performance obligations are satisfied over a period of time, revenue is recognised using the percentage of completion method based on management’s estimate of contract efforts.</p> <p>The estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information.</p> <p>(Refer note 2.5 (i), 2.11 and 54 to the consolidated financial statements).</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the systems, processes and controls for evaluation of fixed price development contracts to identify distinct performance obligations and recognition of revenue.</li> <li>• Evaluated the design and operating effectiveness of internal controls relating to recording of the contract value, determining the transaction price, allocation of consideration to performance obligations, measurement of efforts incurred and process around estimation of efforts required to complete the performance obligations and the most appropriate method to recognise revenue.</li> <li>• On a selected sample of contracts, we tested that the revenue recognised is in accordance with the revenue recognition accounting standard. We: <ul style="list-style-type: none"> <li>- evaluated the identification of performance obligations;</li> <li>- considered the terms of the contracts to determine the transaction price, including adjustments for any sums payable to the customer;</li> <li>- determined if the Group’s evaluation of the method used for recognition of revenue is appropriate;</li> <li>- tested the Group’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> </li> </ul>
<p><b>Implementation of a new Information Technology (IT) system</b></p> <p>With effect from 1 November 2021, the Holding Company migrated from Peoplesoft system to SAP S/4 Hana (new IT system). The new IT system is used for managing and recording transactions relating to various processes including the revenue process, procurement process, treasury process, fixed assets processes and is the core IT system for financial reporting.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Engaged IT specialists to understand the Group’s process surrounding implementation of the new IT system;</li> <li>• Through the IT specialists, tested the General IT control environment of the new IT system, IT access and segregation of duties, as well as IT-dependent controls within critical business processes;</li> </ul>

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<p>Implementation of new IT system presents inherent risks including the loss of integrity of the key financial data being migrated and breakdown in operation or monitoring of IT-dependent controls within critical business processes, which could lead to financial errors or misstatements and inaccurate financial reporting.</p>	<ul style="list-style-type: none"> <li>• Where required, we performed testing on supplementary manual controls and additional substantive testing including using extended sample sizes to test the integrity of the transaction level data;</li> <li>• In relation to the system migration, we tested the controls specifically established over the implementation of the new IT system and migration of key financial data from the legacy system;</li> <li>• Performed independent verification of the data migration and reconciliation between legacy systems and the new IT system for a sample of general ledger and sub-ledgers.</li> </ul>
<p><b>Acquisition of businesses</b></p> <p>During the year ended March 31, 2022, the Group made a number of acquisitions. Determination of consideration transferred, fair valuation of contingent consideration and treatment of payments made to former owners who continue as employees are areas of judgement.</p> <p>The measurement of assets and liabilities acquired at fair value is inherently judgmental. Fair value is determined with the assistance of an external valuation expert in select cases, and determined by the internal team, in other cases. The fair value is determined using valuation models, which are applied according to the asset or liability being recognized.</p> <p>(Refer note 37 to the consolidated financial statements).</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the processes and controls around business combinations and evaluated the design and operating effectiveness of such internal controls relating to authorization, accounting and disclosure;</li> <li>• Read documents pertaining to the acquisition to understand the key terms and conditions of the acquisition, including assessment of the date of acquisition, determination of purchase consideration and employment-linked payments;</li> <li>• Where management has used an external valuer, assessed the independent valuer's competence, capabilities and objectivity, and gained an understanding of the work of the experts by reviewing the valuation reports to understand the methodology used to estimate the fair value of assets and liabilities;</li> <li>• Where the management has internally performed the valuation, understood the competence of the team, and gained an understanding of the methodology to estimate the fair value of assets and liabilities;</li> <li>• Involved valuation specialists, as required to assess the appropriateness and reasonableness of the methodology applied by managements external expert / internal team and valuation of the acquired intangible assets. Key assumptions considered were discount rates, growth rates, cash flow projections and net assets acquired;</li> <li>• Assessed and tested the presentation and disclosures relating to acquisitions with the requirements of the accounting standards.</li> </ul>

## 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 consolidated 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/ 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.

## MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES 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 and joint venture 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 Management and Board of Directors of the companies included in the Group and of its associates and joint venture 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 Management and 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 and joint venture 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 the respective Board of Directors either intends to liquidate the companies 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 and joint venture is 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 auditor's 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 the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 auditor's 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 auditor's report. However, future events or conditions may cause the Group and its associates and joint venture 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 statements/financial information of such entities or business activities within the Group and its associates and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and

performance of the audit of financial statements/ financial information of such entities included in the consolidated financial statements of which we are the independent auditors. 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 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 60 subsidiaries, whose financial statements/financial information reflect total assets (before consolidation adjustments) of ₹ 116,724 million as at 31 March 2022, total revenues (before consolidation adjustments) of ₹ 121,352 million and total net profit after tax (before consolidation adjustments) of ₹ 5,106 million and net cash outflows

(before consolidation adjustments) amounting to ₹ 266 million for the year ended on that date, as considered in the consolidated financial statements. 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 our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries 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**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India 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.
2. (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/consolidated financial statements of such subsidiaries as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The consolidated balance sheet, the consolidated statement of profit and loss (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.
  - d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on 31 March 2022 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 2022 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 Holding Company and its subsidiary companies incorporated in India 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 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, as noted in the 'Other Matters' paragraph:
  - a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the

consolidated financial position of the Group, its associates and joint venture. Refer Note 39 to the consolidated financial statements.

- b) 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 24 and 28 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint venture.
- c) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2022.
- d) (i) The Management has represented to us that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies incorporated in India to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies incorporated in India or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented to us that, to the best of their knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies, associate companies incorporated in India from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies and associate companies incorporated in India shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (iii). Based on the audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under d(i) and d(ii) above, contain any material misstatement.
- e) With reference to the dividend declared or paid during the year by the Holding Company and its subsidiary companies incorporated in India:
- i. The interim dividend declared and paid by the Holding Company during the year is in accordance with Section 123 of the Companies Act, 2013;
  - ii. The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Companies Act, 2013 to the extent it applies to payment for dividend.
  - iii. As stated in note 20 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the

year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- iv. The interim dividend declared and paid by two subsidiary companies incorporated in India during the year is in accordance with Section 123 of the Companies Act, 2013.
- 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 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 and 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

Place: Mumbai  
Date: 13 May 2022

Membership No. 102527  
UDIN: 22102527AIXCTO4041

## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TECH MAHINDRA LIMITED FOR THE YEAR ENDED 31 MARCH 2022

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 consolidated financial statements for the year ended 31 March 2022, we report that:

Clause (xxi) of the Companies (Auditor's Report) Order, 2020 (CARO): In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the companies incorporated in India and included in the consolidated financial statements.

The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report:

Name of the entities	CIN	Relationship
Zen3 Infosolutions Private Limited	U72200TG2015PTC102411	Subsidiary
Digitalops Technology Private Limited	U74999MH2017FTC296251	Subsidiary
Born Commerce Private Limited	U93090TN2011PTC094977	Subsidiary
Perigord Premedia (India) Private Limited	U72300TG2015FTC099343	Subsidiary
Perigord Data Solutions (India) Private Limited	U72900TG2018FTC124885	Subsidiary
Infotek Software and Systems Private Limited	U72200PN2000PTC015094	Associate
Vitaran Electronics Private Limited	U30007PN2006PTC129356	Associate

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Jamil Khatri**

Partner

Membership No. 102527

UDIN: 22102527AIXCTO4041

Place: Mumbai

Date: 13 May 2022



## **ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TECH MAHINDRA LIMITED FOR THE PERIOD ENDED 31 MARCH 2022**

### **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 Holding Company as of and for the year ended 31 March 2022, 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 2022, 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").

#### **AUDITORS' 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 an 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 reports 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 one subsidiary company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Jamil Khatri**

Partner

Place: Mumbai

Membership No. 102527

Date: 13 May 2022

UDIN: 22102527AIXCTO4041

# Consolidated Balance Sheet

As at March 31, 2022

₹ in Million

	Note No.	As at	
		March 31, 2022	March 31, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	3	26,823	24,632
(b) Capital Work-in-Progress	3A	1,651	1,183
(c) Right-of-Use Asset	4	9,372	10,072
(d) Investment Property	5	797	891
(e) Goodwill	6	74,258	40,082
(f) Other Intangible Assets	7	36,586	14,508
(g) Investment accounted using Equity method	8	1,969	279
(h) Financial Assets			
(i) Investments	8	2,510	5,478
(ii) Trade Receivables	9		
(1) Billed		9	25
(iii) Loans	10	136	47
(iv) Other Financial Assets	11	4,732	4,698
(i) Income Tax Assets (Net)		25,137	20,288
(j) Deferred Tax Assets (Net)	56	8,191	9,133
(k) Other Non-Current Assets	12	11,979	12,865
<b>Total Non - Current Assets</b>		<b>204,150</b>	<b>144,181</b>
<b>Current Assets</b>			
(a) Inventories	13	405	242
(b) Financial Assets			
(i) Investments	14	44,359	96,619
(ii) Trade Receivables	15		
(1) Billed		74,676	64,728
(2) Unbilled		44,658	25,589
(iii) Cash and Cash Equivalents	16	37,889	26,904
(iv) Other Balances with Banks	17	1,856	1,448
(v) Other Financial Assets	18	6,750	7,738
(c) Other Current Assets	19	33,964	29,331
<b>Total Current Assets</b>		<b>244,557</b>	<b>252,599</b>
<b>Total Assets</b>		<b>448,707</b>	<b>396,780</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	20	4,388	4,370
(b) Other Equity	21	264,469	244,280
Equity Attributable to Owners of the Company		268,857	248,650
Non controlling Interest		4,954	3,795
<b>Total Equity</b>		<b>273,811</b>	<b>252,445</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	1,420	1,658
(ii) Lease liabilities	53	7,200	8,077
(iii) Other Financial Liabilities	23	14,780	9,225
(b) Provisions	24	8,811	7,810
(c) Deferred tax Liabilities (Net)	56	4,552	761
(d) Other Non-Current Liabilities	25	781	1,725
<b>Total Non - Current Liabilities</b>		<b>37,544</b>	<b>29,256</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	26	14,397	15,270
(ii) Lease liabilities	53	3,167	4,003
(iii) Trade Payables	55	40,947	27,850
(iv) Other Financial Liabilities	27	30,244	20,600
(b) Provisions	28	6,716	5,311
(c) Income Tax Liabilities (Net)	56	10,441	11,143
(d) Other Current Liabilities	29	19,136	18,598
<b>Total Current Liabilities</b>		<b>125,048</b>	<b>102,775</b>
Suspense Account (Net)	43B	12,304	12,304
<b>Total Equity and Liabilities and Suspense Account</b>		<b>448,707</b>	<b>396,780</b>
See accompanying notes forming part of the Consolidated Financial Statements	1 to 63		

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

Mumbai, India

Date: May 13, 2022

**For Tech Mahindra Limited**
**C. P. Gurnani**

Managing Director &amp; CEO

**Milind Kulkarni**

Chief Financial Officer

Mumbai, India

Date: May 13, 2022

**T. N. Manoharan**

Director

**Anil Khatri**

Company Secretary

**Manoj Bhat**

Director

# Consolidated Statement of Profit and Loss

For the year ended March 31, 2022

₹ in Million except Earnings per share

	Note No.	For the year ended	
		March 31, 2022	March 31, 2021
I		446,460	378,551
II	30	11,123	7,871
<b>III Total Income (I +II)</b>		<b>457,583</b>	<b>386,422</b>
<b>IV EXPENSES</b>			
Employee Benefit Expense	31	222,859	192,973
Subcontracting Expenses		69,571	49,743
Finance Costs	32	1,626	1,740
Depreciation and Amortisation Expense	33	15,204	14,577
Other Expenses	34	73,830	67,365
Impairment of Goodwill and Non Current Assets	49&50	-	507
<b>Total Expenses</b>		<b>383,090</b>	<b>326,905</b>
<b>V Share in Profit of Associates / Joint Venture</b>		<b>28</b>	<b>12</b>
<b>VI Profit before Tax (III-IV+V)</b>		<b>74,521</b>	<b>59,529</b>
<b>VII Less: Tax Expense</b>	56		
Current Tax		17,421	18,115
Deferred Tax		799	(2,116)
<b>Total Tax Expense</b>		<b>18,220</b>	<b>15,999</b>
<b>VIII Profit after tax (VI-VII)</b>		<b>56,301</b>	<b>43,530</b>
<b>Profit for the period attributable to:</b>		<b>56,301</b>	<b>43,530</b>
Owners of the Company		55,661	44,280
Non Controlling Interests		640	(750)
<b>IX Other Comprehensive Income</b>			
A			
I. Items that will not be reclassified to Profit or Loss			
(a) Remeasurements of the Defined Benefit Liabilities - gain/(loss)		(357)	88
(b) Equity Instruments through Other Comprehensive Income - gain/(loss)		-	2,215
II. Income Tax relating to items that will not be reclassified to Profit or Loss		276	(717)
B			
I. Items that will be subsequently reclassified to Profit or Loss			
(a) Exchange differences in translating the Financial Statements of Foreign Operations - gain/(loss) (net)		544	181
(b) Effective portion of gains /(loss) on Designated Portion of Hedging Instruments in a Cash Flow Hedge (net)		2,245	3,423
II. Income Tax relating to items that will be reclassified to Profit or Loss		(396)	(953)
<b>Total Other Comprehensive Income / (Loss) (A+B)</b>		<b>2,312</b>	<b>4,237</b>
<b>X Total Comprehensive Income (VIII+IX)</b>		<b>58,613</b>	<b>47,767</b>
<b>Total Comprehensive Income for the period attributable to:</b>		<b>58,613</b>	<b>47,767</b>
Owners of the Company		57,949	48,415
Non Controlling Interests		664	(648)
<b>Earnings per Equity Share (Face Value ₹ 5) in ₹</b>	60		
Basic		63.32	50.64
Diluted		62.81	50.19
See accompanying notes forming part of the Consolidated Financial Statements	1 to 63		

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**

**C. P. Gurnani**

Managing Director & CEO

**T. N. Manoharan**

Director

**Manoj Bhat**

Director

**Jamil Khatri**

Partner

Membership No.102527

Mumbai, India

Date: May 13, 2022

**Milind Kulkarni**

Chief Financial Officer

Mumbai, India

Date: May 13, 2022

**Anil Khatri**

Company Secretary

# Consolidated Statement of changes in equity

## A. EQUITY SHARE CAPITAL

	₹ in Million	
Balance as of April 1, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
4,358	12	4,370
Balance as of April 1, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022
4,370	18	4,388

## B. OTHER EQUITY

Particulars	₹ in Million											Total				
	Share Application Money pending Allotment	Capital reserve	Capital Reserve on Consolidation	Securities Premium	Share Option Outstanding Account	General Reserve	Statutory Reserve	Special Economic Zone Reinvestment Reserve	Capital Redemption Reserve	Retained Earnings	Cash Flow Hedging Reserve		Items of other comprehensive income	Non Controlling Interest		
<b>Balance as at April 1, 2020</b>	7	60	137	9,208	4,257	397	401	11,510	103	184,608	(962)	(338)	4,384	213,772	3,933	217,705
Profit for the year	-	-	-	-	-	-	-	-	-	44,280	-	-	-	44,280	(750)	43,530
Other Comprehensive Income (net of tax)	-	-	-	-	-	-	-	-	-	17	2,470	1,569	79	4,135	102	4,237
<b>Total Comprehensive income</b>	-	-	-	-	-	-	-	-	-	<b>44,297</b>	<b>2,470</b>	<b>1,569</b>	<b>79</b>	<b>48,415</b>	<b>(648)</b>	<b>47,767</b>
Transfer to Special Economic Zone re-investment reserve	-	-	-	-	-	-	-	8,609	-	(8,609)	-	-	-	-	-	-
Transfer from Special Economic Zone reinvestment reserve on utilization	-	-	-	-	-	-	-	(2,290)	-	2,290	-	-	-	-	-	-
Transfer on allotment of Equity Shares	(525)	-	-	513	-	-	-	-	-	-	-	-	-	(12)	-	(12)
Received on exercise of Stock options	576	-	-	-	-	-	-	-	-	-	-	-	-	576	-	576
Amortised Amount of Share Based Payments to Employees (net)	-	-	-	-	1,343	-	-	-	-	-	-	-	-	1,343	-	1,343
Dividends (including Tax on Dividend) (refer note 20(iii))	-	-	-	-	-	-	-	-	-	(17,592)	-	-	-	(17,592)	-	(17,592)
On Account of acquisition and transaction with Non Controlling Interest	-	-	-	-	-	-	-	-	-	(2,220)	-	-	-	(2,220)	474	(1,746)
Transfer to retained earning on account of stock options lapsed	-	-	-	-	(96)	-	-	-	-	96	-	-	-	-	-	-
Transfer from share option outstanding account on exercise of stock options	-	-	-	849	(849)	-	-	-	-	-	-	-	-	-	-	-
Others	(6)	-	-	-	-	-	-	-	-	-	-	-	-	(6)	36	30
<b>Balance as at the March 31, 2021</b>	<b>52</b>	<b>60</b>	<b>137</b>	<b>10,570</b>	<b>4,655</b>	<b>397</b>	<b>401</b>	<b>17,829</b>	<b>103</b>	<b>202,870</b>	<b>1,508</b>	<b>1,231</b>	<b>4,467</b>	<b>244,280</b>	<b>3,795</b>	<b>248,075</b>

₹ in Million

Particulars	Reserves and Surplus										Items of other comprehensive income					Total
	Share Application Money pending Allotment	Capital reserve	Capital Reserve on Consolidation	Securities Premium	Share Option Outstanding Account	General Reserve	Statutory Reserve	Special Economic Zone Reinvestment Reserve	Capital Redemption Reserve	Retained Earnings	Cash Flow Hedging Reserve	Equity Instruments through Other Comprehensive Income	Foreign Currency Translation Reserve	Owners Equity	Non Controlling Interest	
<b>Balance as at April 1, 2021</b>	52	60	137	10,570	4,655	397	401	17,829	103	202,870	1,508	1,231	4,467	244,280	3,795	248,075
Profit for the year	-	-	-	-	-	-	-	-	-	55,661	-	-	-	55,661	640	56,301
Other Comprehensive Income (net of tax)	-	-	-	-	-	-	-	-	(260)	1,849	1,849	179	520	2,288	24	2,312
<b>Total Comprehensive income</b>	-	-	-	-	-	-	-	-	-	<b>55,401</b>	<b>1,849</b>	<b>179</b>	<b>520</b>	<b>57,949</b>	<b>664</b>	<b>58,613</b>
Transfer to Special Economic Zone re-investment reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from Special Economic Zone re-investment reserve on utilization	-	-	-	-	-	-	-	(6,348)	-	6,348	-	-	-	-	-	-
Transfer on allotment of Equity Shares	(854)	-	-	890	-	-	-	-	-	-	-	-	-	36	-	36
Received on exercise of Stock options	825	-	-	-	-	-	-	-	-	-	-	-	-	825	-	825
Share Based Payments to Employees (net)	-	-	-	876	-	-	-	-	-	-	-	-	-	876	-	876
Dividends (refer note 20(iii))	-	-	-	-	-	-	-	-	(39,813)	-	-	-	-	(39,813)	-	(39,813)
Transfer to retained earning on account of stock options lapsed	-	-	-	-	(74)	-	-	-	74	-	-	-	-	-	-	-
Transfer from share option outstanding on exercise of stock options	-	-	-	1,380	(1,380)	-	-	-	-	-	-	-	-	-	-	-
On account of issue of shares to Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	307	307
On account of transaction with Non Controlling Interest	-	-	-	-	-	-	-	-	328	-	-	-	-	328	200	528
Others	(12)	-	-	-	-	-	4	-	(4)	-	-	-	-	(12)	(12)	(24)
<b>Balance as at March 31, 2022</b>	11	60	137	12,840	4,077	397	405	11,481	103	225,204	3,357	1,410	4,987	264,469	4,954	269,423

**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.

**Capital reserve on consolidation :**

The capital reserve on consolidation represent excess of net assets over consideration paid for the acquisition of a subsidiary.

**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.

**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.

**Statutory reserve :**

Statutory reserve represent reserve created out of profits for compliance of local laws of a subsidiary.

**Special Economic Zone reinvestment Reserve :**

The Special Economic Zone reinvestment reserve has been created out of the profit 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 Income-tax Act,1961.

**Capital redemption reserve :**

As per Companies Act 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to nominal value of the shares so purchased is transferred to capital redemption reserve.

The reserve is utilized in accordance with the provisions of section 69 of Companies Act, 2013

**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.

**Equity Instruments through Other Comprehensive Income:**

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

**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.

See accompanying notes forming part of the Standalone 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

Mumbai, India

Date: May 13, 2022

**For Tech Mahindra Limited****C. P. Gurnani**

*Managing Director & CEO*

**Milind Kulkarni**

*Chief Financial Officer*

Mumbai, India

Date: May 13, 2022

**T. N. Manoharan**

*Director*

**Anil Khatri**

*Company Secretary*

**Manoj Bhat**

*Director*



# Consolidated Cash Flow Statement

For the year ended March 31, 2022

₹ in Million

	For the year ended	
	March 31, 2022	March 31, 2021
<b>A Cash Flow from Operating Activities</b>		
Profit Before Tax	74,521	59,529
Adjustments for :		
Depreciation and Amortisation Expense	15,204	14,577
Bad debts and advance written off, allowance/(reversal) of doubtful receivables / unbilled revenue and advances (net)	388	2,605
Share of (Profit) of Associates	(28)	(12)
Net (gain) on disposal of Property, Plant and Equipment and Intangible Assets	(63)	(14)
Finance Costs	1,626	1,740
Unrealised Exchange (Gain) / Loss (net)	(815)	2,431
Share Based Payments to Employees	905	1,330
Interest Income	(904)	(1,885)
Rental Income	(415)	(407)
Dividend Income on Investments carried at fair value through profit and loss	(91)	(2)
Gain on Investments carried at fair value through profit and loss (net)	(2,583)	(1,593)
Change in fair valuation of contractual obligations	2,588	1,373
Gain on sale of subsidiary	-	(730)
Impairment of Goodwill and Non Current Assets	-	507
	<b>90,333</b>	<b>79,449</b>
Net change in:		
Trade Receivables and Contract assets	(28,951)	15,495
Other financial assets and other assets	(4,671)	968
Trade Payables	9,785	(6,195)
Unearned revenue and deferred revenue	3,776	1,259
Other financial liabilities, other liabilities and provisions	5,718	4,108
	(14,343)	15,635
Cash generated from operating activities before taxes	75,990	95,084
Income taxes paid, net	(23,137)	(14,146)
<b>Net cash generated from Operating activities (A)</b>	<b>52,853</b>	<b>80,938</b>
<b>B Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment and Intangible Assets	(9,584)	(6,660)
Proceeds from Sale of Property, Plant and Equipment, Investment property and Intangible Assets	1,231	935
Purchase of Mutual Funds, Debentures and Other Investments	(219,638)	(285,388)
Proceeds from sale / redemption of Mutual Funds, Debentures and Other Investments	277,403	245,234
Payment for acquisition of business and Non Controlling Interest , net of cash acquired	(46,613)	(11,340)
Proceeds from sale of subsidiary	725	-
Rental Income	729	348
Fixed Deposit/ Margin Money Placed	(1,877)	(16,639)
Fixed Deposit/ Margin Money Realized	1,355	16,796
Interest Income Received	1,084	2,213
<b>Net cash generated / (used in) from investing activities (B)</b>	<b>4,815</b>	<b>(54,501)</b>

₹ in Million

	For the year ended	
	March 31, 2022	March 31, 2021
<b>C Cash Flow from Financing Activities</b>		
Proceeds from issuance of equity shares from exercise of stock options	868	569
Payment of dividend	(39,813)	(17,594)
Transaction with Non Controlling Interest	307	688
Proceeds from Long-Term Borrowings	621	92
Repayment of Long-Term Borrowings	(211)	(376)
Movement in Short-Term Borrowings (net)	(2,030)	(7,665)
Repayment of lease liabilities	(5,177)	(3,794)
Finance Costs paid	(1,231)	(1,789)
<b>Net cash (used in) financing activities (C)</b>	<b>(46,666)</b>	<b>(29,869)</b>
<b>Net increase / (decrease) in cash and cash equivalents during the year (D=A+B+C)</b>	<b>11,002</b>	<b>(3,432)</b>
Effect of exchange rate changes on cash and cash equivalents (E)	(17)	169
<b>Cash and Cash Equivalents at the beginning of the year (F)</b>	<b>26,904</b>	<b>30,167</b>
<b>Cash and Cash Equivalents at the end of the year (G=D+E+F) (refer note 16)</b>	<b>37,889</b>	<b>26,904</b>

Refer to note 61 for supplementary information on consolidated cash flow

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**

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

**T. N. Manoharan**  
Director

**Manoj Bhat**  
Director

**Jamil Khatri**

Partner

Membership No.102527

Mumbai, India

Date: May 13, 2022

**Milind Kulkarni**

Chief Financial Officer

Mumbai, India

Date: May 13, 2022

**Anil Khatri**

Company Secretary

# Notes forming part of the Financial Statements

For the year ended March 31, 2022

## 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, 2022 and authorized for issue on May 13, 2022.

## 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 consolidated 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 and on an accrual 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. Fair value for measurement and/or disclosure purpose in these consolidated 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 116 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. All assets and liabilities have been classified as current and non-current as per the Group’s normal operating cycle.

### 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 period 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.

The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognised in the consolidated statement of profit and loss being the profit or loss on disposal of investment in subsidiary.

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.

Upon loss of significant influence over the associate, the Company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment is recognised in the consolidated statement of profit and loss at the point of loss of influence. Subsequent changes in fair values are recognised through Other Comprehensive income.

## 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 expenses 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 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 Group 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 consolidated statement of profit and loss.

### **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.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. 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 Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Group 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 jurisdictions for the Group 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 Group 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 Group 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 acquire. 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. The policy for the same has been explained under note 2.9.

### 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 Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group'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 Group 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 Equipment's	3 to 10 years
Furniture and Fixtures	3 to 10 years
Vehicles	4 to 5 years
Office Equipment's	3 to 5 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	1 to 9 years
Intellectual Property Rights	4 to 10 Years
Software	1 to 7 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 leasehold improvements are amortized over the shorter of estimated useful life of the asset or the related lease term.

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 Group

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 consolidated statement of profit and 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 consolidated statement of profit and loss in the period in which the property is derecognised.

Useful life of investment properties:

Particulars	Life
Buildings	28 to 50 years
Plant and Equipment's	3 to 10 years
Furniture and Fixtures	3 to 10 years
Office equipment	3 to 5 years

## 2.8 Leases:

At inception of the contract, the Group determines whether the contract is a lease or contains a lease arrangement.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### Group as a lessee

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the consolidated statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the



incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Group recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in consolidated statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

### **Group as a lessor**

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Group

applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 Revenue from Customer Contracts to allocate the consideration in the contract.

## **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 consolidated 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.

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 based on the right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If invoicing is not consistent with value delivered, revenue is recognized as the services are performed. When services are performed through an indefinite number of repetitive acts over a specified period, revenue is recognised on a straight-line basis over the specified period unless some other method better represents the manner in which services are performed.

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 Group 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 consolidated statement of profit and 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 consolidated statement of profit and 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 Group 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 consolidated statement of profit and 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 re measurement recognised in consolidated statement of 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 to hedge its risks associated with foreign currency fluctuations relating to certain forecasted transactions. The Group designates some of these forward contracts 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 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 obligations 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 the Company and its Indian subsidiaries are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and the Company and its Indian subsidiaries make monthly contributions at a specified percentage of the covered employees' 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 the Company 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 (ESIC), 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 Group'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 consolidated statement of profit and 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 Group and its branches in India and overseas. The current tax payable by the Group in India is Indian income tax payable on worldwide income. Current income tax payable by overseas branches of the Group 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 Group'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 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 Group in the consolidated financial statements of the Group, if it is determined that such accumulated undistributed profits will not be distributed in the foreseeable future.

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 Group 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). Weighted average number includes adjustment for vested options exercisable for little or no consideration and shares held by TML Benefit Trust.

### 2.20 Provisions and Contingent Liabilities:

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.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

### 2.21 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its standalone financial statements.

### Ind AS 103 – Business Combination

Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added



on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.

The Company does not expect the other amendments to have any impact on the financial statements.

#### **Ind AS 109 – Annual Improvements to Ind AS (2021)**

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect

the amendment to have any significant impact in its financial statements.

#### **Ind AS 16 – Proceeds before intended use**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its financial statements.

**NOTE 3 : PROPERTY, PLANT AND EQUIPMENT**

Particulars	₹ in Million								
	Freehold Land	Buildings	Computers	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Leasehold Improvements	Total
<b>Gross Block</b>									
<b>Cost as at April 01, 2020</b>	1,083	27,684	23,227	26,088	8,447	467	2,673	2,469	92,138
Acquisitions (refer note 37)	-	-	190	-	26	2	7	4	229
Additions	-	28	3,203	212	128	8	97	151	3,827
Deletions	-	124	565	113	140	52	109	279	1,382
Foreign Currency Translation	17	226	93	257	20	(1)	12	22	646
<b>Balance as at March 31, 2021</b>	<b>1,100</b>	<b>27,814</b>	<b>26,148</b>	<b>26,444</b>	<b>8,481</b>	<b>424</b>	<b>2,680</b>	<b>2,367</b>	<b>95,458</b>
Acquisitions (refer note 37)	-	-	237	-	34	2	35	31	339
Additions	-	15	7,008	378	172	53	219	333	8,178
Deletions	-	-	807	511	214	25	87	167	1,811
Reclassification to Investment Property (refer note 5)	-	-	-	-	-	-	-	-	-
Foreign Currency Translation	(10)	(195)	68	(63)	27	1	13	1	(158)
<b>Balance as at March 31, 2022</b>	<b>1,090</b>	<b>27,634</b>	<b>32,654</b>	<b>26,248</b>	<b>8,500</b>	<b>455</b>	<b>2,860</b>	<b>2,565</b>	<b>102,006</b>
<b>Accumulated Depreciation</b>									
As at April 01, 2020	-	10,709	19,269	23,952	7,339	367	2,010	1,883	65,529
Depreciation	-	925	2,814	995	570	48	250	226	5,828
Deletions	-	43	398	62	121	27	59	272	982
Foreign Currency Translation	-	131	63	228	14	(2)	4	13	451
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>11,722</b>	<b>21,748</b>	<b>25,113</b>	<b>7,802</b>	<b>386</b>	<b>2,205</b>	<b>1,850</b>	<b>70,826</b>
Depreciation	-	925	2,959	576	330	18	215	211	5,234
Deletions	-	-	14	489	177	24	8	102	814
Foreign Currency Translation	-	(75)	36	(55)	21	2	12	(4)	(63)
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>12,572</b>	<b>24,729</b>	<b>25,145</b>	<b>7,976</b>	<b>382</b>	<b>2,424</b>	<b>1,955</b>	<b>75,183</b>
<b>Net Block as at March 31, 2021</b>	<b>1,090</b>	<b>15,062</b>	<b>7,925</b>	<b>1,103</b>	<b>524</b>	<b>73</b>	<b>436</b>	<b>610</b>	<b>26,823</b>
<b>Net Block as at March 31, 2021</b>	<b>1,100</b>	<b>16,092</b>	<b>4,400</b>	<b>1,331</b>	<b>679</b>	<b>38</b>	<b>475</b>	<b>517</b>	<b>24,632</b>

**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.
- Plant and Equipment includes electrical installations and equipments.
- Amounts less than INR. 0.5 Million are reported as '0'.

**NOTE 3A : CAPITAL WORK-IN-PROGRESS**

	As at 31 March 2022				Total
	< 1 year	1-2 year	2-3 year	> 3 year	
Capital work-in-progress					
Projects in Progress	881	466	300	4	1,651
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>881</b>	<b>466</b>	<b>300</b>	<b>4</b>	<b>1,651</b>
	As at 31 March 2021				Total
	< 1 year	1-2 year	2-3 year	> 3 year	
Capital work-in-progress					
Projects in Progress	691	416	12	64	1,183
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>691</b>	<b>416</b>	<b>12</b>	<b>64</b>	<b>1,183</b>

**NOTE 4 : RIGHT-OF-USE ASSETS**

₹ in Million

Particulars	Computers	Plant and Equipment	Furniture and Fixtures	Vehicles	Building	Leasehold Land	Total
<b>Gross Block</b>							
<b>As at April 01, 2020</b>	323	44	10	329	13,698	982	15,386
Acquisitions (refer note 37)	-	-	-	-	54	-	54
Additions	-	179	-	103	2,660	6	2,948
Deletions	-	-	-	156	1,507	49	1,712
Foreign Currency Translation	65	6	2	(7)	102	5	173
<b>Balance as at March 31, 2021</b>	<b>388</b>	<b>229</b>	<b>12</b>	<b>269</b>	<b>15,007</b>	<b>944</b>	<b>16,849</b>
Additions	6	40	-	32	3,221	1	3,300
Deletions	18	-	-	89	1,574	-	1,681
Foreign Currency Translation	(11)	8	-	7	15	6	25
<b>Balance as at March 31, 2022</b>	<b>365</b>	<b>277</b>	<b>12</b>	<b>219</b>	<b>16,669</b>	<b>951</b>	<b>18,493</b>
Accumulated Depreciation							
As at April 01, 2020	119	24	4	139	3,310	60	3,656
Depreciation	80	35	3	150	3,571	72	3,911
Deletion	-	-	-	119	734	21	874
Foreign Currency Translation	52	(3)	1	(1)	33	2	84
<b>Balance as at March 31, 2021</b>	<b>251</b>	<b>56</b>	<b>8</b>	<b>169</b>	<b>6,180</b>	<b>113</b>	<b>6,777</b>
Depreciation	60	51	1	82	3,464	67	3,725
Deletion	9	-	-	87	1,326	-	1,422
Foreign Currency Translation	(11)	6	-	4	38	4	41
<b>Balance as at March 31, 2022</b>	<b>291</b>	<b>113</b>	<b>9</b>	<b>168</b>	<b>8,356</b>	<b>184</b>	<b>9,121</b>
<b>Net Block as at March 31, 2022</b>	<b>74</b>	<b>164</b>	<b>3</b>	<b>51</b>	<b>8,313</b>	<b>767</b>	<b>9,372</b>
<b>Net Block as at March 31, 2021</b>	<b>137</b>	<b>173</b>	<b>4</b>	<b>100</b>	<b>8,827</b>	<b>831</b>	<b>10,072</b>

Note: Amounts less than ₹ 0.5 Million are reported as "0".

**NOTE 5 : INVESTMENT PROPERTY**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>I. Gross Block</b>		
Opening Balance	1,940	3,263
Deletion	-	1,373
Effect of foreign currency exchange differences (net)	-	50
Closing Balance	<b>1,940</b>	<b>1,940</b>
<b>II. Accumulated depreciation</b>		
Opening Balance	1,049	1,818
Depreciation	94	133
Deletion	-	936
Effect of foreign currency exchange differences (net)	-	34
Closing Balance	1,143	1,049
<b>Net block (I - II) (refer note 45)</b>	<b>797</b>	<b>891</b>

**NOTE 6 : GOODWILL**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening Balance	40,082	33,877
Acquisitions (refer note 37)	34,462	7,148
Impairment (refer note 50)	-	(507)
Effect of foreign currency exchange differences (net) /other adjustments	(286)	(436)
<b>Closing Balance</b>	<b>74,258</b>	<b>40,082</b>

For the purposes of impairment assessment, goodwill is allocated to the operating divisions which represent the lowest level within the Group at which goodwill is monitored for internal management purposes, which is not higher than the operating segments. The recoverable amount of the unit is determined based on discounted cash flows and the key assumptions used are discount rate, budgeted growth rates and terminal value growth rate. The estimated recoverable amount of the unit exceeds the carrying amount of goodwill for the respective cash generating units. Refer note 49 and 50 for details of the respective cash generating units.

**NOTE 7 : OTHER INTANGIBLE ASSETS**

₹ in Million

Description of Assets	Software	Intellectual Property Rights	Brand	Customer relationships/ other intangibles	Total
<b>I. Gross Block</b>					
<b>As at April 1, 2020</b>	11,356	9,889	3,998	10,175	<b>35,418</b>
Acquisitions (refer note 37)	1	-	-	3,003	<b>3,004</b>
Additions	1,164	11	-	-	<b>1,175</b>
Deletion	4,874	-	-	(1)	<b>4,873</b>
Foreign Currency Translation	(31)	82	194	116	<b>361</b>
<b>As at March 31, 2021</b>	<b>7,616</b>	<b>9,982</b>	<b>4,192</b>	<b>13,295</b>	<b>35,085</b>
Acquisitions (refer note 37)	90	2,113	-	23,983	<b>26,186</b>
Additions	1,808	-	-	296	<b>2,104</b>
Deletion	45	-	-	361	<b>406</b>
Foreign Currency Translation	102	(47)	(56)	47	<b>46</b>
<b>Balance as at March 31, 2022</b>	<b>9,571</b>	<b>12,048</b>	<b>4,136</b>	<b>37,260</b>	<b>63,015</b>
<b>II. Accumulated amortisation</b>					
<b>Balance as at April 1, 2020</b>	10,505	2,717	2,892	4,244	<b>20,358</b>
Amortisation expense	1,016	1,069	239	2,381	<b>4,705</b>
Deletion	4,788	-	-	1	<b>4,789</b>
Foreign Currency Translation	(13)	50	116	150	<b>303</b>
<b>Balance as at March 31, 2021</b>	<b>6,720</b>	<b>3,836</b>	<b>3,247</b>	<b>6,774</b>	<b>20,577</b>
Amortisation expense	1,498	1,034	220	3,399	<b>6,151</b>
Deletion	38	-	-	197	<b>235</b>
Foreign Currency Translation	88	(118)	(48)	14	<b>(64)</b>
<b>Balance as at March 31, 2022</b>	<b>8,268</b>	<b>4,752</b>	<b>3,419</b>	<b>9,990</b>	<b>26,429</b>
<b>Net Block as at March 31, 2022 (I - II)</b>	<b>1,303</b>	<b>7,296</b>	<b>717</b>	<b>27,270</b>	<b>36,586</b>
<b>Net Block as at March 31, 2021 (I - II)</b>	<b>896</b>	<b>6,146</b>	<b>945</b>	<b>6,521</b>	<b>14,508</b>

**NOTE 8 : INVESTMENTS : NON CURRENT**

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>(A) In Associates and Joint Venture</b>		
<b>- Unquoted</b>		
<b>(a) In Equity Shares:</b>		
1,225 Ordinary Shares (March 31, 2021 - 1,225) of DZD 1,000 each fully paid up of SARL Djazatech.	50	50
Less: Provision for Impairment	50	50
	-	-
720 Shares (March 31, 2018 - 720) of QAR 100 each fully paid up of IQS Information Solutions WLL ^^	-	-
^^ includes Goodwill of ₹ Nil and share of post acquisition loss of ₹ Nil (March 31, 2018 ₹ Nil )		
4,000 Shares (March 31, 2021 - 4,000) of EUR 1 each fully paid up of Goodmind Srl	13	10
(includes share of post acquisition profit of ₹ 8 Million (March 31, 2021 ₹ 5 Million))		
2,400 Shares (March 31, 2021 - 2,400) of EUR 1 each fully paid up of Signature Srl	42	43
(share of post acquisition loss of ₹ 5 Million (March 31, 2021 ₹ 6 Million))		
244,450 Equity Shares (March 31, 2021 - 244,450) of ₹ 10 each of Info Tek Software & Systems Private Limited	126	110
(share of post acquisition profit of ₹ 50 Million) (March 31, 2021 ₹ 34 Million))		
3,618 Equity shares (March 31, 2021 - 3,618) of ₹10 each of Inv - Vitaran Electronics Private Limited	48	48
(share of post acquisition profit ₹ 2 Million) (March 31, 2021 ₹ 2 Million))		
374,523 Equity Shares (March 31,2021 - NIL) of EUR 0.001 each fully paid up of SWFT Technologies Ltd	1,367	-
(share of post acquisition profit ₹ 4 Million) (March 31, 2021 ₹ NIL))		
317,386 Equity Shares (March 31,2021 - NIL) of EUR 0.001 each fully paid up of Surance Ltd	291	-
<b>(b) In Preference Shares:</b>		
600,000 Series A Preference Shares (March 31, 2021 - 600,000) of USD 0.001 each fully paid up of Avion Networks, Inc. #	188	188
Less: Provision for Impairment	188	188
	-	-
3 Preference shares (March 31, 2021 - 3) of ₹ 1,000,000 of Info Tek Software & Systems Private Limited	3	3
3 Preference shares (March 31, 2021 - 3) of ₹ 500,000 of Vitaran Electronics Private Limited	2	2
<b>(c) In Joint Venture:</b>		
Investment in Joint Venture - SCTM Engineering Corporation	77	63
<b>Total A - Investment accounted using equity method (a+b+c)</b>	<b>1,969</b>	<b>279</b>
<b>B- Investments (other than investment accounted using equity method)</b>		

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>(a) Other Investments</b>		
<b>- Quoted</b>		
1,352,058 Equity Shares (March 31, 2021 - 1,352,058) of EUR 0.20 each, fully paid up of Midi Plc. (Carried at fair value through statement profit and loss)	21	22
<b>-Unquoted (Carried at fair value through statement profit and loss)</b>		
<b>-In Equity Shares:</b>		
1 Equity Share (March 31, 2021 - 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, 2021 - 1) of EUR 300 each, fully paid up of Volksbank Region Leonberg (refer note (i) below)	0	0
25 Equity Shares (March 31, 2021 - 25) of EUR 5.16 each, fully paid up of Unionfidi S.c.r.l.p.A Turin (refer note (i) below)	0	0
<b>-Unquoted (Carried at fair value through other comprehensive income)</b>		
7,143 Convertible Preference Shares (March 31, 2021 - 7,143) of USD 0.05 each fully paid up of Trade IX Limited	193	196
2,142,857 Preference Shares (March 31, 2021 - 2,142,857) of USD 0.001 each fully paid up of Vital Tech Holdings Inc.	229	219
<b>Sub-total (a)</b>	<b>443</b>	<b>437</b>
<b>(b) In Bonds, Debentures and Trust Securities</b>		
<b>-Unquoted (Carried at fair value through statement profit and loss)</b>		
Treasury Bonds and Bills	66	51
Investment in TML Odd Lot Trust (refer note (i) below & note 36)	0	0
New Democratic Electoral Trust (refer note (i) below)	0	0
National Savings Certificates, VIII Series (refer note (i) below) (Lodged as Security with Government Authorities)	0	0
10,000 Equity Shares (March 31, 2021 -10,000) of ₹ 10 each fully paid of Mahindra Educational Institutions. (refer note (i) below & note 36)	0	0
50,000 Equity Shares (March 31, 2021 - 50,000) of ₹10 each fully paid-up of Tech Mahindra Foundation.(refer note 36)	1	1
<b>-Unquoted</b>		
Term Deposits with Financial Institutions (carried at amortised cost)	2,000	-
2000 units of ₹ 1,000,000 each Non Convertible Debentures (carried at amortised cost)	-	2,000
<b>-Quoted (Carried at fair value through statement profit and loss)</b>		
750 units of ₹ 1,000,000 each Non Convertible Debentures	-	752
2,000 units of ₹ 1,000,000 each Perpetual Bonds	-	2,237
<b>Sub total -(b)</b>	<b>2,067</b>	<b>5,041</b>
<b>Total B - Investments (other than investment accounted using equity method) (a+b)</b>	<b>2,510</b>	<b>5,478</b>
Aggregate Amount of Quoted Investments	21	3,011
Aggregate Amount of Unquoted Investments	4,458	2,746
Aggregate Market Value of Quoted Investments	21	3,011
Aggregate Amount of Impairment in Value of Investments	238	238

Note :

i) Amounts less than INR. 0.5 Million are reported as '0'.

**NOTE 9 : TRADE RECEIVABLES : NON CURRENT**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Trade receivables - Billed (Unsecured)</b>		
Considered good	26	84
Less: Allowance for expected credit loss	17	59
	<b>9</b>	<b>25</b>
Credit Impaired (refer note 48)	2,367	2,367
Less: Allowance for credit impairment	2,367	2,367
	-	-
<b>Total</b>	<b>9</b>	<b>25</b>

**NOTE 10 : LOANS : NON CURRENT**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>(Unsecured, considered good)</b>		
Loans to related parties (refer note 57)	136	47
<b>Total</b>	<b>136</b>	<b>47</b>

**NOTE 11 : OTHER FINANCIAL ASSETS : NON CURRENT**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>(Unsecured, considered good unless otherwise stated)</b>		
<b>Security Deposits</b>		
Unsecured, considered good	1,648	1,632
Credit Impaired	18	18
Less : Allowance for expected credit loss	18	18
	<b>1,648</b>	<b>1,632</b>
<b>Lease Receivable (refer note 53)</b>	828	1,367
<b>Fixed Deposits / Margin Money Deposits having maturity of more than 12 months</b>	351	239
<b>Foreign currency derivative assets (refer note 55)</b>	1,764	1,390
<b>Others</b>	141	70
<b>Total</b>	<b>4,732</b>	<b>4,698</b>



**NOTE 12 : OTHER NON-CURRENT ASSETS**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>(Unsecured)</b>		
<b>- Considered good</b>		
Capital Advances	278	225
Prepaid Expenses	3,467	1,968
Deferred Contract Costs	5,974	8,468
Balance with Government Authorities	2,236	2,194
Other Advances	24	10
<b>Subtotal</b>	<b>11,979</b>	<b>12,865</b>
<b>Considered doubtful</b>		
Other advances	387	387
Less: Allowance for amounts considered doubtful	387	387
	-	-
<b>Total</b>	<b>11,979</b>	<b>12,865</b>

**NOTE 13 : INVENTORIES**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Hardware, Software and Product Components	405	242
<b>Total</b>	<b>405</b>	<b>242</b>

**NOTE 14 : INVESTMENTS : CURRENT**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>- Quoted</b>		
- Investment in market linked debentures, non-convertible debentures and bonds (carried at fair value through profit and loss)	6,738	1,748
-Exchange Traded Fund (carried at fair value through Profit and loss)	1,008	-
<b>- Unquoted</b>		
- Investment in Mutual Funds (carried at fair value through profit and loss)	34,113	86,140
- Class T Units March 31 ,2022 - NIL (March 31, 2021 - 5,980,745) of Sierra Private Investment LP (Carried at fair value through other comprehensive income)	-	731
- Term Deposit with Financial Institutions (carried at amortized cost)	2,500	8,000
<b>Total</b>	<b>44,359</b>	<b>96,619</b>
Aggregate Amount of Quoted Investments	7,746	1,748
Aggregate Amount of Unquoted Investments	36,613	94,871
Aggregate Market Value of Quoted Investments	7,746	1,748

**NOTE 15 : TRADE RECEIVABLES : CURRENT**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>- Trade receivables Billed (Unsecured)</b>		
Considered good	80,568	69,009
Less: Allowance for expected credit loss	5,892	4,281
	<b>74,676</b>	<b>64,728</b>
Credit Impaired (refer note 57)	834	2,636
Less: Allowance for expected credit impairment	834	2,636
	-	-
	<b>74,676</b>	<b>64,728</b>
<b>Trade Receivables - Unbilled (Unsecured, Considered Good)</b>	44,658	25,589
<b>Total</b>	<b>119,334</b>	<b>90,317</b>

**NOTE 16 : CASH AND CASH EQUIVALENTS**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Cash in hand	76	30
Balances with banks		
In Current Account	23,709	16,740
In Deposit Account (original maturities less than three months)	14,104	10,134
<b>Total</b>	<b>37,889</b>	<b>26,904</b>

**NOTE 17 : OTHER BALANCES WITH BANKS**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>In Deposit Accounts</b>	649	636
<b>Earmarked Balances with Banks</b>		
- Unclaimed Dividend	364	306
- Balances held as Margin Money/Security towards obtaining Bank Guarantees	187	102
- Balance held under Escrow Account	656	404
<b>Total</b>	<b>1,856</b>	<b>1,448</b>

**NOTE 18 : OTHER FINANCIAL ASSETS : CURRENT**

₹ In Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>(Unsecured, considered good unless otherwise stated)</b>		
<b>Interest Receivable</b>		
On Bank Deposits	51	42
On Term Deposits with Financial Institutions	94	360
On Non Convertible Debentures	184	107
	<b>329</b>	<b>509</b>
<b>Lease Receivable (refer note 53)</b>	675	1,023
<b>Contractually Reimbursable Expenses</b>		
Considered Good	299	433
Credit Impaired	117	122
Less: Allowance for expected credit loss	117	122
	<b>299</b>	<b>433</b>
<b>Foreign currency derivative assets (refer note 55)</b>	4,316	4,043
<b>Security Deposits</b>	151	98
<b>Receivable on sale of subsidiary</b>	-	706
<b>Others Receivables</b>	980	926
<b>Total</b>	<b>6,750</b>	<b>7,738</b>

**NOTE 19 : OTHER CURRENT ASSETS**

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>(Unsecured)</b>		
<b>Considered good</b>		
Advance to employees	862	615
Prepaid Expenses	11,754	7,808
Contract Assets (refer note 54)	11,532	7,367
Deferred Contract Costs	4,067	3,407
Balance with Government Authorities	3,996	3,137
Other Advances (refer note below)	1,753	6,997
<b>Subtotal</b>	<b>33,964</b>	<b>29,331</b>
<b>- Considered doubtful advances</b>	427	414
Less: Allowance for amounts considered doubtful	427	414
	-	-
<b>Total</b>	<b>33,964</b>	<b>29,331</b>

**Note: Other Advances include :**

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
- Amount deposited and held in escrow account towards Aberdeen UK settlement consideration and interest. (refer note 44)	-	4,983
- Amount deposited and held in escrow account towards Aberdeen US claims settlement consideration. (refer note 44)	-	877

**NOTE 20 : EQUITY SHARE CAPITAL**

₹ in Million

Particulars	March 31, 2022		March 31, 2021	
	Number	₹ in Million	Number	₹ in Million
<b>Authorised</b>				
<b>Equity shares of ₹ 5/- each.</b>	1,667,300,000	8,337	1,667,300,000	8,337
<b>Issued, Subscribed and Paid up</b>	971,833,479	4,859	968,260,067	4,841
Less: Equity Shares of ₹ 5 each fully paid up held by ESOP/ TML Benefit Trust	94,235,629	471	94,300,661	471
<b>Adjusted: Issued, Subscribed and Paid up Share Capital</b>	<b>877,597,850</b>	<b>4,388</b>	<b>873,959,406</b>	<b>4,370</b>
<b>Reconciliation of number of Equity Shares and amount outstanding</b>				
Shares outstanding at the beginning of the year	968,260,067	4,841	965,852,364	4,829
Shares issued during the period pursuant to employee stock option plan	3,573,412	18	2,407,703	12
<b>Total</b>	<b>971,833,479</b>	<b>4,859</b>	<b>968,260,067</b>	<b>4,841</b>
Less : Shares held by ESOP Trust	-	-	65,032	0
Less : Shares held by TML Benefit Trust	94,235,629	471	94,235,629	471
<b>Adjusted: Issued, Subscribed and Paid up Share Capital</b>	<b>877,597,850</b>	<b>4,388</b>	<b>873,959,406</b>	<b>4,370</b>

**Shareholding of promoters as at March 31, 2022 is as follows:**

₹ in Million

Particulars	As at		As at		% Change during the year
	March 31, 2022		March 31, 2021		
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Mahindra & Mahindra Limited	248,022,598	25.52	251,548,691	25.98	-1.40%
TML Benefit Trust	94,235,629	9.70	94,235,629	9.73	0.00%
Mahindra Holdings Limited	198,201	0.02	198,201	0.02	0.00%
Mahindra - BT Investment Company (Mauritius) Limited	242,904	0.02	242,904	0.03	0.00%

# This percentage of holding is presented with reference to Issued, Subscribed and Paid up.

- i) Each Equity Share entitles the holder to one vote and carries an equal right to dividend.
- ii) Refer note 59 for details relating to stock options.
- iii) On April 26, 2021 the Board of Directors of the Company had proposed a special dividend of ₹ 15 per share and final dividend of ₹15 per share in respect of year ended March 31, 2021 and shareholders at the Annual General Meeting held on 30 July 2021 approved the dividend amounting to ₹ 29,074 Million which is paid in the month of August 2021 .Further, special dividend of ₹ 15 per equity share which was approved on 25 October 2021 and paid in the month of December 2021 amounting to ₹ 14,550 Million. The amount is recognized as distribution to equity shareholders. On May 13, 2022 the Board of Directors of the Company have proposed a special dividend of ₹ 15 per share and final dividend of ₹15 per share in respect of year ended March 31, 2022 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in cash outflow of ₹ 29,155 Million
- iv) 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.

## NOTE 21 : OTHER EQUITY

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>- Share Application Money pending allotment</b>		
Opening Balance	52	7
<b>Add:</b> Received during the year	825	576
<b>Less:</b>		
Transfer on allotment of Equity Shares	854	525
Other	12	6
<b>Closing Balance</b>	<b>11</b>	<b>52</b>
<b>- Capital Reserve</b>	60	60
<b>- Capital Reserve on Consolidation</b>	137	137
<b>- Securities Premium Account</b>		
Opening Balance	10,570	9,208
<b>Add:</b>		
Allotment of Equity Shares	890	513
Transfer from share option outstanding account on exercise of stock options	1,380	849
<b>Closing Balance</b>	<b>12,840</b>	<b>10,570</b>
<b>- Share Options Outstanding Account</b>		
Opening Balance	4,655	4,257
<b>Add:</b> Amortized amount of Share Based Payments to Employees (net) for the year (refer note 59)	876	1,343
<b>Less:</b>		
Transfer to Securities Premium account on exercise of stock option	1,380	849
Transfer to Retained Earnings on account of stock options lapsed	74	96
<b>Closing Balance</b>	<b>4,077</b>	<b>4,655</b>

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>- Statutory Reserve</b>	401	401
<b>Add:</b> Transfer from retained earnings	4	-
<b>Closing Balance</b>	<b>405</b>	<b>401</b>
<b>- General Reserve</b>	<b>397</b>	<b>397</b>
<b>- Special Economic Zone Reinvestment Reserve</b>		
Opening Balance	17,829	11,510
<b>Add:</b> Transfer from retained earnings	-	8,609
<b>Less:</b> Transfer to retained earnings	6,348	2,290
<b>Closing Balance</b>	<b>11,481</b>	<b>17,829</b>
<b>- Capital Redemption Reserve</b>	103	103
<b>- Retained Earnings</b>		
Opening balance	202,870	184,608
<b>Add:</b>		
Profit for the year	<b>55,661</b>	<b>44,280</b>
Other Comprehensive Income (net)	<b>(260)</b>	<b>17</b>
Transfer from Share Options Outstanding Account on account of options lapsed	74	96
Transfer from Special Economic Zone re-investment reserve on utilization	6,348	2,290
On account of transaction with Non Controlling Interest	328	-
Transfer to retained earnings on buyback	-	-
<b>Less:</b>		
Equity Dividend	39,813	17,592
Transfer to Statutory Reserve	4	-
On account of transaction with Non Controlling Interest	-	2,220
Transfer to Special Economic Zone re-investment reserve	-	8,609
<b>Closing Balance</b>	<b>225,204</b>	<b>202,870</b>
<b>- Cash Flow Hedging Reserve</b>		
Opening Balance	1,508	(962)
<b>Add:</b> Movement during the year (net) (refer note 55)	1,849	2,470
<b>Closing Balance</b>	<b>3,357</b>	<b>1,508</b>
<b>- Equity Instruments through Other Comprehensive Income</b>		
Opening Balance	1,231	(338)
<b>Add:</b> Movement during the year (net)	179	1,569
<b>Closing Balance</b>	<b>1,410</b>	<b>1,231</b>
<b>-Foreign Currency Translation Reserve</b>		
Opening Balance	4,467	4,384
<b>Add:</b>		
Movement during the year	520	79
Others	-	4
<b>Closing Balance</b>	<b>4,987</b>	<b>4,467</b>
<b>Total</b>	<b>264,469</b>	<b>244,280</b>

**NOTE 22 : BORROWINGS: NON CURRENT**

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Measured at amortised cost</b>		
<b>Secured Borrowings:</b>		
From Banks	5	5
(i) Loans 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 12% p.a.		
<b>Unsecured Borrowings</b>		
From Banks	1,373	1,614
Loans are repayable in 1-8 years. Interest rate ranges from 0.25% to 2% p.a.		
From Others	42	39
Loans are repayable in 1-6 years. Interest rate ranges from 8% to 11% p.a.		
<b>Total</b>	<b>1,420</b>	<b>1,658</b>

**NOTE 23 : OTHER FINANCIAL LIABILITIES : NON CURRENT**

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Contractual Obligations - acquisitions (refer note 37)	12,035	3,840
Contractual Obligations - Customer arrangements	2,565	4,409
Foreign currency Derivatives liabilities (refer note 55)	164	956
Security Deposits	16	20
<b>Total</b>	<b>14,780</b>	<b>9,225</b>

**NOTE 24 : PROVISIONS : NON CURRENT**

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Provision for employee benefits</b>		
Gratuity (refer note 51)	5,423	4,336
Compensated absences and Long service awards	2,642	2,499
Other Provisions (mainly includes provisions related to onerous contracts)	746	975
<b>Total</b>	<b>8,811</b>	<b>7,810</b>

**NOTE 25 : OTHER NON CURRENT LIABILITIES**

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Unearned Revenue	781	964
Statutory Dues	-	761
<b>Total</b>	<b>781</b>	<b>1,725</b>

**NOTE 26 : BORROWINGS: CURRENT**

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Secured Borrowings</b>		
From Banks	228	1,501
(Secured by Trade Receivables and Inventory). Interest rate ranges from 2% to 11.5% p.a.		
Current maturities of long-term borrowings (refer note 22)	614	1
<b>Unsecured Borrowings</b>		
From Banks/ Financial Institutions	13,253	13,459
Interest rate ranges from 1% to 10% p.a.		
Current maturities of long-term borrowings (refer note 22)	302	309
<b>Total</b>	<b>14,397</b>	<b>15,270</b>

**NOTE 27: OTHER FINANCIAL LIABILITIES : CURRENT**

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Foreign currency Derivative Liabilities (refer note 55)	212	1,670
Creditors for capital supplies/services	905	635
Interest payable on borrowings	22	33
Unclaimed dividends	364	307
Contractual Obligation - on acquisitions (refer note 37)	8,986	2,807
Accrued Salaries and Benefits	9,455	10,368
Contractual Obligations - Customer arrangements	3,045	3,122
Others	7,255	1,658
<b>Total</b>	<b>30,244</b>	<b>20,600</b>

**NOTE 28 : PROVISIONS : CURRENT**

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Provision for employee benefits</b>		
Gratuity (refer note 51)	984	564
Compensated absences and Long service awards	2,947	2,012
<b>Other Provisions</b>		
Provision for Claims (refer note 41)	24	125
Provision for Contingencies (refer note 42)	935	1,198
Others (mainly includes provisions related to onerous contracts)	1,826	1,412
<b>Total</b>	<b>6,716</b>	<b>5,311</b>



**NOTE 29 : OTHER CURRENT LIABILITIES**

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Unearned Revenue	10,680	6,736
Statutory Dues	7,313	5,431
Others (refer note below)	1,143	6,431
<b>Total</b>	<b>19,136</b>	<b>18,598</b>

**Note: Others mainly include :**

₹ in Million

Particulars	As at	
	March 31, 2022	March 31, 2021
Aberdeen UK Claims settlement consideration (including interest) (refer note 44)	-	4,983
Aberdeen US claim settlement consideration (refer note 44)	-	877

**NOTE 30 : OTHER INCOME**

₹ in Million

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Interest Income on financial assets	904	1,885
Interest income on Income tax refund	-	1,369
Dividend Income on Investments carried at fair value through profit and loss	91	2
Net gain on Investments carried at fair value through profit and loss	2,583	1,593
Gain on disposal / dilution of Associate / subsidiary	-	730
Net gain / loss on disposal of Property, Plant and Equipment and Intangible Assets	63	14
Rental income (refer note 53)	415	407
Foreign Exchange Gain (net)	5,633	975
Miscellaneous Income	1,434	896
<b>Total</b>	<b>11,123</b>	<b>7,871</b>

**NOTE 31 : EMPLOYEE BENEFIT EXPENSES**

₹ in Million

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Salaries and wages	205,154	179,018
Contribution to provident and other funds (refer note 51)	13,252	10,487
Gratuity (refer note 51)	2,411	1,110
Share Based Payments to Employees (refer note 59)	905	1,330
Staff welfare expenses	1,137	1,028
<b>Total</b>	<b>222,859</b>	<b>192,973</b>

**NOTE 32 : FINANCE COSTS**

₹ in Million

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Interest expenses	931	906
Interest expense on lease liability	480	560
Others	215	274
<b>Total</b>	<b>1,626</b>	<b>1,740</b>

**NOTE 33 : DEPRECIATION AND AMORTISATION EXPENSE**

₹ in Million

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Depreciation / Amortisation on Property, Plant and Equipment and Intangible assets	11,385	10,533
Depreciation on Right of Use Asset	3,725	3,911
Depreciation on Investment Property	94	133
<b>Total</b>	<b>15,204</b>	<b>14,577</b>

**NOTE 34 : OTHER EXPENSES**

₹ in Million

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Power and Fuel Expenses	1,399	1,404
Short term Leases	752	751
Rates and Taxes	974	1,280
Communication Expenses	5,150	4,592
Travelling Expenses	4,414	3,339
Recruitment Expenses	2,666	1,058
Training	403	306
Cab Hire Charges	1,450	1,048
Legal and Other Professional Fees	5,664	4,772
Repair and Maintenance Expenses		
- Buildings (including leased premises)	358	412
- Machinery and Computers	4,149	3,810
- Others	932	994
	<b>5,439</b>	<b>5,216</b>
Insurance Charges	5,448	4,752
Software, Hardware and Project Specific Expenses	34,819	29,318
Advertisement, Promotion & Selling Expenses	1,969	987
Allowance for Doubtful Receivables and Bad Debts written off (net)		
- Provided / (reversed) during the period	(297)	584
- Bad Debts written off	630	1,842
	<b>333</b>	<b>2,426</b>

₹ in Million

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Allowance for Doubtful Advances, Deposits and Advances written off (net)		
-Provided / (reversed) during the period	52	41
-Advances written off	3	138
	<b>55</b>	<b>179</b>
Donation	49	23
Corporate Social Responsibility Expenditure	1,157	1,114
Miscellaneous Expenses	1,689	4,800
<b>Total</b>	<b>73,830</b>	<b>67,365</b>

**Note : (i) Corporate Social Responsibility Expenditure**

- a. Gross amount required to be spent by the holding company and Indian subsidiaries during the year is ₹ 1,157 Million (previous year ₹ 1,114 million) (calculated at 2% of the average net profits of the holding company and Indian subsidiaries during the three immediately preceding financial years)

₹ in Million

Sr No.	Particulars	For the year ended	
		March 31, 2022	March 31, 2021
1	Amount required to be spent by the Company during the year	1,157	1,114
2	Amount of expenditure incurred on:		
	(i) Construction/acquisition of any asset	644	-
	(ii) On purposes other than (i) above	513	1,114
3	Shortfall at the end of the year		
4	Total of previous years shortfall	-	-
5	Reason for shortfall		
6	Nature of CSR activities	Welfare Project expenses. Program Support Cost , Academics Cost Technical Education & Construction of building for Educational Institute.	
7	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard		
	(i) Tech Mahindra Foundation	539	647
	(ii) Mahindra Educational institutions	621	465

## 35 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. Direct / Indirect Subsidiaries:

Direct / Indirect Subsidiaries

Tech Mahindra (Americas) Inc. and its following subsidiaries:

- Tech Talenta Inc. (Merged with Tech Mahindra (Americas) Inc w.e.f February 28, 2022)
- Citisoft Inc (ownership changed w.e.f February 28, 2022)
- Mad\*pow Media Solutions LLC
- The CJS solutions Group LLC
  - Tech Mahindra Healthcare Systems Holdings LLC (merged with The CJS Solutions Group LLC w.e.f June 22, 2021)
  - Tech Mahindra Healthcare LLC (merged with CJS Solutions Group LLC w.e.f June 22, 2021)
  - Healthcare Clinical Informatics Limited
  - HCI Group Australia Pty Ltd
  - HCI Group UK Limited (dissolved w.e.f. September 29, 2020)
  - Lightbridge Communications corporation ('LCC') and its following subsidiaries
  - Tech Mahindra Network Services International Inc.
  - Tech Mahindra Network Services Belgium (ownership changed w.e.f March 22, 2021)
  - LCC Middle East FZ-LLC
  - LCC Engineering & Deployment Services Misr, Ltd (under liquidation)
  - LCC France SARL
  - LCC Telecom GmbH (Merged with Tech Mahindra GmbH w.e.f October 2, 2020)
  - LCC Design and Deployment Services Ltd.
  - LCC Italia s.r.l (Under Liquidation).
  - LCC Saudi Arabian Telecom Services Co, Ltd.
  - LCC Saudi Arabian Telecom Services Co. Ltd/Jordan WLL (under liquidation)
  - LCC Central America de Mexico, SA de CV
  - LCC Wireless Communications Services Marox, SARLAU
  - LCC Europe BV
  - LCC do Brasil Ltda (under liquidation)
  - LCC North Central Europe, B.V.
  - LCC Muscat LLC
  - LCC Networks Poland Sp.z.o.o
  - Lightbridge Communications Corporation LLC
  - LCC Wireless Communications Espana, SA
  - LCC Telekomunikasyon Servis Limited (Liquidated w.e.f December 17, 2021)
  - LCC Deployment Services UK, Limited
  - LCC United Kingdom, Limited
  - Tech Mahindra S.A.
  - Tech-Mahindra Bolivia S.R.L.
  - Leadcom Integrated Solutions Tchad SARL (Liquidated w.e.f. March 21, 2022)
  - Tech Mahindra Colombia S.A.S.
  - Leadcom DRC SPRL
  - Tech Mahindra Ecuador S. A.
  - Leadcom Integrated Solutions (SPV) SAS
  - Leadcom Gabon S.A.
  - Leadcom Ghana Limited
  - Tech Mahindra Guatemala S.A.
  - Leadcom Integrated Solutions (L.I.S.) Ltd
  - Societe de Telecommunications Africaine (STA) Abidjan

- Leadcom Integrated Solutions Kenya Limited
- Leadcom Integrated Solutions Myanmar Co., Ltd
- Leadcom Integrated Solutions International B.V.
- Tech Mahindra Costa Rica Sociedad Anonima
- Tech Mahindra Panama S.A.
- Tech Mahindra de Peru S.A.C.
- Leadcom Integrated Solutions Rwanda Ltd
- STA Dakar (under liquidation)
- Leadcom Integrated Solutions Tanzania Ltd.
- Leadcom Uganda Limited
- Coniber S.A.
- Zen3 Infosolutions (America) Inc.
  - Oslo Solutions LLC (Merged with Zen3 Infosolutions (America) Inc. w.e.f September 28, 2021)
  - Zen3 Infosolutions Inc (Dissolved w.e.f July 19, 2021)
  - Zen3 Information Technologies Limited (Dissolved w.e.f April 20, 2021)
  - Tech Mahindra Credit Solutions Inc. (incorporated on August 17, 2020)
  - Tech Mahindra Consulting Group Inc. (Formerly known as Objectwise Consulting Group Inc. Name changed w.e.f April 23, 2021)
  - Digital OnUs Inc. and its following Subsidiaries (acquired w.e.f May 7, 2021)
  - Tech Mahindra Mexico Cloud Services,S.DE R.L.DE C.V (Formerly known as Digital OnUS S. De R.L. de C.V. Name changed w.e.f August 27, 2021)
  - Digital OnUS Technologies Inc
  - Healthnxt Inc (incorporated on April 27, 2021)
  - Eventus Solutions Group, LLC (acquired on June 18, 2021)
  - Eventus Solutions Group UK Limited (acquired on June 18, 2021, dissolved on November 30, 2021)
  - Infostar LLC (acquired on October 25, 2021)
  - Brainscale Inc (acquired on November 17, 2021)
  - BrainScale Canada Inc (acquired on November 17, 2021)
  - Activus Connect LLC (acquired on December 3, 2021)
  - Activus Connect PR LLC (acquired on December 3, 2021)
  - Green Investments LLC (acquired on December 31, 2021)
  - Allyis Technology Solutions Sociedad de Responabilidad Limitada (acquired on December 31, 2021)
  - Allyis Technologies S.R.L(acquired on December 31, 2021)
  - Allyis Inc (acquired on December 31, 2021)
  - Allyis Technologies Canada Inc (acquired on December 31, 2021)

Tech Mahindra IT Services NL B.V (Formerly known as LCC network Services, B.V. Name Changed w.e.f May 4, 2021) (ownership changed w.e.f March 31, 2021)

Digitalops Technology Private Limited (acquired w.e.f May 7, 2021)

Allyis India Private Limited (acquired on December 31, 2021)

Tech Mahindra Limited SPC (Incorporated on November 25, 2021)

Begig Private Limited (incorporated on April 22, 2021)

Zen3 Infosolutions Private Limited (acquired on April 9, 2020)

Tech Mahindra Cerium Private Limited (Formerly known as Cerium Systems Private Limited. Name changed w.e.f May 6, 2021) and its following subsidiaries: (acquired on April 9, 2020)

- Tech Mahindra Cerium Systems Inc. (Formerly known as Cerium Systems Inc. Name changed w.e.f December 14, 2020)
- Tech Mahindra Cerium Systems SDN. BHD. (Formerly known as Cerium Systems SDN. BHD. Name changed w.e.f November 27, 2020)

Tech Mahindra GmbH and its following subsidiaries:

- TechM IT-Services GmbH
- Tech Mahindra Norway AS
- Tech Mahindra Luxembourg S.a r.l. (incorporated on May 22, 2020)
- Beris Consulting GMBH (acquired on October 1, 2021)
- Lineas Informationstechnik GmbH (acquired on October 1, 2021)

Tech Mahindra Technology Services LLC (Incorporated on December 31, 2020)

Tech Mahindra (Singapore) Pte Limited and its following subsidiaries:

- Geomatic.AI Pty Ltd (acquired on February 7, 2022)
- Tech Mahindra Products Services Singapore Pte. Limited (ownership changed w.e.f February 1, 2022)
- Born Group Pte. Ltd.
- Group FMG Holdings B.V
- Whitefields Holding Asia Ltd. (under liquidation)
- Born Japan Kabhushiki Kaisha
- Born Digital Sdn Bhd
- Born Creative Commerce Group Inc. (closed w.e.f November 15, 2021)
- Born London Ltd
- We Make Websites Limited (acquired on October 25, 2021)
- We Make Websites Inc (acquired on October 25, 2021)
- Born Group Inc
- TM Born Group CR Sociedad de Responsabilidad Limitada (incorporated on August 19, 2021)
- Born Group HK Company Limited
- Comviva Technologies Singapore Pte.Limited (ownership change w.e.f November 16, 2021)
- Tenzing Limited (acquired on December 1, 2020)
- Tenzing Australia Limited (acquired on December 1, 2020)
- Tech Mahindra Digital Pty Ltd (Formerly Known as Momenton Pty Ltd (Name changed w.e.f July 23, 2021)

Born Commerce Private Limited (Application for Amalgamation was filed before NCLT, Chennai on February 23, 2021)

Tech Mahindra (Thailand) Limited

PT Tech Mahindra Indonesia

Tech Mahindra (Beijing) IT Services Limited

Tech Mahindra (Nigeria) Limited

Tech Mahindra Bahrain Ltd W.L. L

Tech Mahindra Business Services Limited (Application for Amalgamation was filed before NCLT, Mumbai on February 19, 2021)

Comviva Technologies Limited and its following subsidiaries:

- Comviva Technologies Madagascar Sarlu
- Comviva Technologies America Inc (incorporated on November 4, 2021)
- YABX Technologies (Netherlands) B.V.
  - Stichting YABX ESOP
- YABX India Private Limited (incorporated on July 15, 2020)
- Comviva Technologies Myanmar Limited
- Comviva Technologies FZ-LLC
  - Comviva Technologies Nigeria Limited
  - Comviva Technologies USA Inc
  - Comviva Technologies Cote D'ivoire
  - Comviva ESOP Trust
  - Comviva Technologies B.V and Its following subsidiaries
  - Comviva Technologies Mexico, S de R.L. de C. (liquidated w.e.f March 3, 2021)

- Comviva Technologies do Brasil Industria Comercio, Importacao e Exportacao Ltda (formerly known as ATS Advanced Technology Solutions do Brasil Industria Comercio, Importacao e Exportacao Ltda)
  - Comviva Technologies Colombia S.A.S
  - Comviva Technologies (Australia) Pty Ltd
  - Emagine International Pty Ltd (Application for Strike off on March 28, 2022)
  - Comviva Technologies (Argentina) S.A
- Tech Mahindra (Shanghai) Co. Ltd
- Tech Mahindra Holdco Pty Limited
- Tech Mahindra South Africa (Pty) Limited
- Tech Mahindra (Nanjing) Co. Ltd
- Tech Mahindra Technologies Inc.
- Citisoft Limited (Re registration of Citisoft Plc to Private limited Company w.e.f November 8, 2021)
- Satyam Venture Engineering Services Private Limited (subsidiary through Board control) and its following subsidiary
- Satyam Venture Engineering Services (Shanghai) Co Limited
  - Satven GmbH
- Tech Mahindra De Mexico S.DE.R.L.DE.C.V
- vCustomer Philippines, Inc. and its subsidiary
- vCustomer Philippines (Cebu), Inc.
- Tech Mahindra Servicios De Informatica S.A
- Tech Mahindra Servicios Ltda (incorporated on May 21, 2021 by Tech Mahindra Servicios De Informatica S.A)
- Tech Mahindra ICT Services (Malaysia) SDN. BHD
- Tech Mahindra London Limited (Formerly known as Mahindra Engineering Service (Europe) Limited Name changed w.e.f December 9, 2021) and its subsidiaries
- Tech Mahindra Communications Japan Co., Ltd (Formerly known as K – Vision Co. Ltd.)
  - Inter-Informatics, spol. s r.o. and its following subsidiaries:( merged with TC inter-Informatics w.e.f March 1, 2021)
  - Inter-Informatics SRL (Dissolved w.e.f January 29, 2021)
  - TC Inter-Informatics a.s.
  - Com Tec Co IT Ltd and its following subsidiaries (Acquired on January 17, 2022)
  - CTC Co SIA
  - CTDev LLC
  - Mahindra Engineering Services ESOP Trust
  - Mahindra Engineering Design and Development Company Limited-Superannuation Scheme
  - Perigord Asset Holdings Limited and its following subsidiaries (acquired on March 15, 2021)
    - Perigord Premedia Limited
    - Perigord Data Solutions limited
    - Perigord Premedia USA Inc
    - August Faller Artwork Solutions GmbH
- Perigord Premedia (India) Private Limited (acquired on March 15, 2021)
- Perigord Premedia (India) Private Limited Employees Group Gratuity Assurance Scheme
- Perigord Data Solutions (India) Private Limited (acquired on March 15, 2021)
- Perigord data Solutions (India) Private Limited Employees Group Gratuity Assurance Scheme
- Sofgen Holdings Limited and its following subsidiaries
- Sofgen Ireland Limited (dissolved w.e.f May 5, 2020)
  - Sofgen Africa Limited
- Tech Mahindra (Switzerland) SA (formally known as Sofgen SA)
- Tech Mahindra DRC SARLU (Struck off w.e.f April 28, 2021)
- NTH Dimension Ltd
- Tech Mahindra Arabia Limited

Tech Mahindra Netherlands B.V (Merged with Tech Mahindra IT Services NL B.V. on July 27, 2021)

Tech Mahindra Sweden AB

Tech Mahindra Spain S.L.

Tech Mahindra France (Incorporated on January 16, 2020)

Tech Mahindra LLC

Tech Mahindra Chile SpA

Tech Mahindra Vietnam Company Limited

Tech Mahindra Defence Technologies Limited (incorporated on July 28, 2021)

Tech Mahindra Fintech Holdings Limited and Its following subsidiaries:

- Target TG Investments Limited (dissolved w.e.f July 20, 2021)
- Target Group Limited
  - Elderbridge Limited
  - Target Servicing limited
  - Target Financial System Limited (Dissolved w.e.f March 8, 2022.)
  - Harlosh Limited

The Bio Agency Limited (Application made to Strike off on December 31, 2021)

PF Holdings B.V. and its subsidiaries

- Pininfarina S.p.A. and its following subsidiaries
  - Pininfarina of America Corp.
  - Pininfarina Deutschland Holding GmbH
  - Pininfarina Shanghai Co., Ltd
  - Pininfarina Engineering S.r.l. (under liquidation)
  - Pininfarina Deutschland GmbH

Dynacommerce Holding B.V

- Dynacommerce B.V. (under amalgamation)
- Dynalean B.V. (merged with Dynacommerce B.V. w.e.f August 11, 2020)

TML Benefit Trust

Satyam Associates Trust

Sofgen India Pvt Ltd Employees Gratuity Fund

#### Joint Venture

SCTM Engineering Corporation (Incorporated on December 23, 2020)

#### ii. Associates:

Name of Company	Country of Incorporation	Extent of Holding As at	
		March 31, 2022	March 31, 2021
Avion Networks, Inc.	USA	30%	30%
SARL Djazatech	Algeria	49%	49%
EURL LCC UK Algeria	Algeria	49%	49%
Goodmind S.r.l.	Italy	20%	20%
Signature S.r.l.	Italy	24%	24%
Infotek Software and Systems Private Limited	India	18.09%	19.89%
Vitaran Electronics Private Limited	India	18.09%	19.89%
SWFT Technologies Limited	India	25%	-
Surance	India	25%	-

Altiostar Networks, Inc. ceased to be an associate company from April 26, 2019, due to dilution in shareholding to 8.6%. Consequently, the shares held in Altiostar were fair valued on April 26, 2019 and gain of ₹ 730 million was recognized in other income. Subsequently, the Group had opted to classify the same as fair value through other comprehensive income. During previous year the Group sold these shares on September 22, 2020 for consideration of USD 45 Million (₹3,341 Million).



### 36 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)

### 37 BUSINESS COMBINATIONS:

Details of acquisitions during the year ended March 31, 2022

- i) Pursuant to a share purchase agreement, the Company through its wholly owned subsidiary Tech Mahindra London Limited (erstwhile "Mahindra Engineering Services (Europe) Limited"), acquired 100% stake in Com Tec Co IT Ltd, Cyprus ("CTC") and its subsidiaries, on January 17, 2022, for a consideration of EUR 304 Million (INR 25,786 Million) out of which EUR 227 million (INR 19,260 Million) was paid upfront. The agreement also provides for contingent consideration linked to financial performance from calendar years from 2021 to 2024. As on the acquisition date, contractual obligation towards the said acquisition amounts to Euro 78.44 million (INR 6,526 Million). [As at March 31, 2022 ₹ 6,592 million]. Currently, the Company has accounted this acquisition on the basis of provisional purchase price allocation.

CTC caters for development of core reinsurance applications and digital solutions to insurance and re-insurance companies.

Particulars	CTC Group	
	Euro in Million	₹ in Million
Fair value of net assets/(liabilities) as on the date of acquisition	13.10	1,112
Customer Relationship	98.00	8,317
Customer Contracts	8.00	679
Intellectual Property Rights	18.50	1,571
Goodwill	166.20	14,105
<b>Fair value of net assets/(liabilities) including Goodwill</b>	<b>303.80</b>	<b>25,784</b>
<b>Purchase Consideration</b>	<b>303.80</b>	<b>25,784</b>

- ii) Pursuant to a share purchase agreement, the Company through its Wholly owned subsidiary Tech Mahindra Americas Inc., acquired 100% stake in Digital OnUS Inc., USA ("Digital OnUS"), on May 6, 2021, for a consideration of USD 110 Million (INR 8,319 Million) out of which EUR 90 million (INR 6,550 Million) was paid upfront. The agreement also provides for contingent consideration linked to financial performance, new customer count and employee headcount from financial years March 31, 2022 to March 31, 2024. As on acquisition date, contractual obligation towards the said acquisition amounts to USD 20 million (INR 1,478 Million) [As at March 31, 2022 ₹ 1,887 Million]. Currently, the Company has accounted this acquisition on the basis of provisional purchase price allocation.

Digital OnUS is engaged in providing DevOps services, DevSecOps, and Secrets Management, cloud native development and Cloud Automation.

Particulars	Digital OnUS	
	USD in Million	₹ in Million
Fair value of net assets/(liabilities) as on the date of acquisition	(8.29)	(627)
Customer Relationship	46.50	3,517
Customer Contracts	2.00	151
Goodwill	69.79	5,278
<b>Fair value of net assets/(liabilities) including Goodwill</b>	<b>110.00</b>	<b>8,319</b>
<b>Purchase Consideration</b>	<b>110.00</b>	<b>8,319</b>

- iii) Pursuant to a share purchase agreement, the Company acquired 100% stake in Green Investment LLC and its subsidiaries in USA, through its wholly owned subsidiary, Tech Mahindra (Americas) Inc., on December 31, 2021, for a consideration of USD 104 Million (₹ 7,733 Million) out of which USD 91.2 Million (₹ 6,779 Million) was paid upfront.

The agreement also provides for contingent consideration linked to financial performance for the financial years March 31, 2023 to March 31, 2025. As on acquisition date, the contractual obligation towards the said acquisition amounts to USD 13.7 million (₹ 1,019 Million). [As at March 31, 2022 ₹ 1,449 Million]

Green Investment LLC offers Digital experience solutions, Cloud, AI and engineering solutions, Data and analytics and Technical and support services.

Further, Pursuant to a share purchase agreement, the Company acquired 100% stake in Allyis India Private Limited on December 31, 2021 for a consideration of USD 2.6 Million (₹ 194 Million). Currently, the Company has accounted this acquisition on the basis of provisional purchase price allocation.

Particulars	Green Investment LLC	
	USD in Million	₹ in Million
Fair value of net assets/(liabilities) as on the date of acquisition	(6.3)	(463)
Customer Relationship	49.4	3,672
Goodwill	63.5	4,718
<b>Fair value of net assets/(liabilities) including Goodwill</b>	<b>106.6</b>	<b>7,927</b>
<b>Purchase Consideration</b>	<b>106.6</b>	<b>7,927</b>

- iv) Pursuant to a share purchase agreement on October 25, 2021 the Company through its wholly owned subsidiary, Tech Mahindra (Americas) Inc., acquired 100% stake in Infostar LLC, USA (d/b/a Lodestone) for a consideration of USD 88.57 Million (₹ 6,634 Million) out of which USD 58.47 million (₹ 4,379 million) was paid upfront. The agreement also provides for contingent consideration linked to financial performance for the financial years ending March 31, 2022 to March 31, 2025. As on acquisition date, contractual obligation towards the acquisition amounts to USD 34.20 million (₹ 2,254 million) [As at March 31, 2022 ₹ 2,599 million]. Currently, the Company has accounted this acquisition on the basis of provisional purchase price allocation.

The Company, pursuant to a business purchase agreement acquired 100% business of Lodestone Software Service Private Limited on October 25, 2021 for an upfront consideration of USD 6.7 Million (₹ 497.5 million).

Infostar is a software solution group with expertise in Product quality services, Data quality services.

Particulars	Infostar Group	
	USD in Million	₹ in Million
Fair value of net assets/(liabilities) as on the date of acquisition	(1.73)	(129)
Customer Relationship	41.5	3,108
Goodwill	55.5	4,156
<b>Fair value of net assets/(liabilities) including Goodwill</b>	<b>95.27</b>	<b>7,135</b>
<b>Purchase Consideration</b>	<b>95.27</b>	<b>7,135</b>

- v) Pursuant to a share purchase agreement, the Company through its wholly owned subsidiary, Tech Mahindra Americas Inc acquired 100% stake in in Activus Connect LLC and Activus Connect PR LLC ("Activus"), on December 03, 2021, for consideration of AUD 40.2 Million (₹ 3,042 Million) which was paid upfront.

Currently, the Company has accounted this acquisition on the basis of provisional purchase price allocation. Activus provide remote customer care solutions to customers in the USA.

#### Acquisition of Activus Connect LLC

Particulars	Activus	
	USD in Million	₹ in Million
Fair value of net assets/(liabilities) as on the date of acquisition	0.8	65
Customer Relationship	11.5	874
Goodwill	27.8	2,103
<b>Fair value of net assets/(liabilities) including Goodwill</b>	<b>40.2</b>	<b>3,042</b>
<b>Purchase Consideration</b>	<b>40.2</b>	<b>3,042</b>

- vi) Pursuant to a share purchase agreement, the Company through its wholly owned subsidiary, Tech Mahindra (Americas) Inc. acquired, on June 18, 2021, 100% stake in Eventus Solution Group LLC for a consideration of USD 37.85 (₹ 2,804 Million) out of which USD 33.67 million (₹ 2,494 Million) was paid upfront.

Eventus Solution Group LLC is engaged in providing Strategic Consultancy, Cloud Application and Managed Services

#### Acquisition of Eventus Solutions Group LLC

Particulars	Eventus	
	USD in Million	₹ in Million
Fair value of net assets/(liabilities) as on the date of acquisition	5.21	386
Customer Relationship	13.71	1,015
Non-Compete fees	0.46	34
Goodwill	18.47	1,357
<b>Fair value of net assets/(liabilities) including Goodwill</b>	<b>37.85</b>	<b>2,792</b>
<b>Purchase Consideration</b>	<b>37.85</b>	<b>2,792</b>

- vii) Other Acquisitions

Particulars	Others*
	₹ in Million
Fair value of net assets/(liabilities) as on the date of acquisition	439
Customer Relationship	897
Intellectual Property Rights	543
Customer Contract	375
Goodwill	2,745
<b>Fair value of net assets/(liabilities) including Goodwill</b>	<b>4,999</b>
Less: Non-controlling Interest	17
<b>Purchase Consideration</b>	<b>5,016</b>

\*Other includes BrainScale Inc, Media Kind(MK), Beris Consulting GmbH, We Make Website, Geomatic.ai Pty Ltd

- a. Pursuant to a share purchase agreement, on November 16, 2021 the Company acquired 100% stake in BrainScale Inc. in USA through its wholly owned subsidiary, Tech Mahindra (Americas) Inc. for a consideration of USD 19.1 Million (₹ 1,419 Million) out of which USD 9.6 Million (₹ 714 Million) was paid upfront. The agreement also provides for contingent consideration linked to financial performance from financial years March 31, 2022 to March 31, 2024. As on acquisition date, the contractual obligation towards the said acquisition amounts to USD 11.1 million (₹ 826 Million) [As at March 31, 2022 ₹ 803 Million] Further, Pursuant to a business purchase agreement, the Company acquired the business of M/s BrainScale on December 03, 2021 for a total consideration of ₹ 154 Million. Currently, the Company has accounted this acquisition on the basis of provisional purchase price allocation.

BrainScale is a service provider in cloud based IT services.

- b. The Company through its wholly owned subsidiary, Comviva Technologies Amercia, Inc acquired video processing platform and all related intellectual property from MK System USA Inc. for a transaction value is USD 20 million (₹ 1,507 million) in March 2022. The initial accounting for the business combination has been determined provisionally.

Media Kind (MK) is an end to end portfolio media solutions such as D2C video service distribution, advertising and content personalisation solutions and TV and video delivery platform.

- c. Pursuant to a share purchase agreement, on October 01, 2021 the Company through its wholly owned subsidiary, Tech Mahindra GmbH acquired 100% stake in Beris Consulting GmbH and its subsidiary in Germany for a consideration of EUR 7 Million (₹ 605 Million) out of which EUR 6 Million (₹ 519 Million) was paid upfront. The agreement also provides for contingent consideration linked to financial performance and employee headcount from July 2022 to March 2023. As on acquisition date, the contractual obligation towards the said acquisition amounts to Euro 1 million (₹ 86 Million) [As at March 31, 2022 ₹ 84 Million]. Currently, the Company has accounted this acquisition on the basis of provisional purchase price allocation.

Beris Consulting GmbH offers IT consulting services mainly to automotive industry.

- d. Pursuant to a share purchase agreement, the Company through its wholly owned subsidiary Born London Limited, UK We Make Website acquired 100% stake on October 25, 2021 for a consideration of GBP 10.4 million (₹ 1,074 Million) out of which GBP 5 million (₹ 516 Million) was paid upfront. The agreement also provides for contingent consideration linked to financial performance from financial year March 31, 2022 to March 31, 2024. As on acquisition date, contractual obligation towards the said acquisition amounts to GBP 5.40 Million (₹ 557.60 Million) [As at March 31, 2022 ₹ 536 million]. Currently, the Company has accounted this acquisition on the basis of provisional purchase price allocation.

We Make Website is focused on website building, migration services and retainer services.

- e. Pursuant to a share purchase agreement, the Company through its wholly owned subsidiary, Tech Mahindra Singapore Pte. Limited acquired 80% stake in Geomatic.ai Pty Ltd on February 16, 2022 for a consideration of AUD 6 million (₹ 322 million). Currently, the Company has accounted this acquisition on the basis of provisional purchase price allocation.

Geomatic.ai Pty Ltd is in geospatial business and provide data capture services to identify any vegeation growth in fixed assets.

**Note:**

- Goodwill comprises of acquired workforce and expected synergies arising from the material and other acquisition.

- The consolidated financial statement includes revenue of INR 11,681 Million and profit and loss INR 1,513 Million from respective entities acquisition date. If all the acquisitions had occurred on April 1, 2021, management estimates that the consolidated revenue for the Group would have been INR 461,531 Million and the profit after taxes would have been INR 59,609 Million for twelve months ended March 31, 2022. The pro-forma amounts are not necessarily indicative of the results that would have occurred if the acquisition had occurred on date indicated or that may result in the future.

For these acquisitions in accordance with Ind AS 103, employee linked consideration of INR 1,672 million is recorded as employee cost in FY 2021-2022.

### Details of acquisitions during the previous year

- Pursuant to a share purchase agreement, the Company through its wholly owned subsidiary, Tech Mahindra (Americas) Inc., acquired 100% stake in Zen3 Infosolutions (America) Inc. on April 9, 2020 for a consideration of USD 51.34 Million (₹ 3,882 Million) out of which USD 34.57 million (₹ 2,614 Million) was paid upfront. The agreement also provides for guaranteed payment USD 3.85 million (₹ 292 Million) and contingent consideration linked to financial performance of financial year ending 2021 to 2023. As on March 31, 2021, contractual obligation towards the said acquisition amounts to USD 16.77 Million (₹ 1,226 Million) [March 31, 2022: ₹ 881 million]

Further, the Company acquired 100% stake in Zen3 Infosolutions Private Limited on April 9, 2020 for a consideration of ₹ 141 million.

Zen3 Group is a software solution group with expertise in Software Product Engineering, DevOps testing, Machine learning and AI & Analytics.

Acquisition of Zen3 Group

Particulars	Zen3 Group	
	USD in Million	₹ in Million
Fair value of net assets/(liabilities) as on the date of acquisition	2.17	163
Customer Relationship	19.70	1,490
Customer Contracts	1.30	98
Technology	0.70	53
Goodwill	29.34	2,219
<b>Fair value of net assets/(liabilities) including Goodwill</b>	<b>53.21</b>	<b>4,023</b>
<b>Purchase Consideration</b>	<b>53.21</b>	<b>4,023</b>

- Pursuant to a share purchase agreement, the Company through its wholly owned subsidiary, Tech Mahindra London Limited, acquired 70% stake in Perigord Asset Holding Limited and its subsidiaries on March 15, 2021 for a consideration of Euro 20.4 Million (₹ 1,768 Million) which was paid upfront. The Company has also entered into agreement to purchase the remaining 30% stake based on the financial performance of financial years ending March 31, 2021 to March 31, 2024 for which contractual obligation of Euro 18 million (₹ 1602 million) is outstanding as at March 31, 2021 [March 31, 2022 ₹ 1,263 million].

Further, the Company acquired 100% stake in Perigord Data Solutions India Private Limited and Perigord Premedia India Limited on March 15, 2021 for a consideration of ₹ 101 Million and ₹ 133 million respectively.

Perigord Group is in the business of providing digital supply chain services to the clients in pharmaceutical and life science sector by creating, designing and managing clients packaging, marcoms and digital assets to optimize their supply chain.

## Acquisition of Perigord Group

Particulars	Perigord Group	
	Euro in Million	₹ in Million
Fair value of net assets/(liabilities) as on the date of acquisition	0.1	9
Goodwill	11.57	1,003
Customer Relationship	15.9	1,378
<b>Fair value of net assets/(liabilities) including Goodwill</b>	<b>27.57</b>	<b>2,390</b>
Less: Non-controlling interest	4.48	388
<b>Purchase Consideration</b>	<b>23.1</b>	<b>2,002</b>

During the year ended March 31, 2022 the company has finalised the purchase price allocation for Perigord.

## Other Acquisitions

Particulars	Others*
	₹ in Million
Fair value of net assets/(liabilities) as on the date of acquisition	165
Customer Relationship	1,373
Customer Contracts	85
Non Compete fees	35
Goodwill	2,763
<b>Fair value of net assets/(liabilities) including Goodwill</b>	<b>4,421</b>
Less: Non-controlling Interest	384
<b>Purchase Consideration</b>	<b>4,073</b>

\*Other includes Cerium Systems Private Limited, Tenzing Limited, Business of the Transys Group acquired and Momenton Pty Ltd. During the year ended March 31, 2022 the company has finalised the purchase price allocation for Tenzing.

**Note:**

- The pro-forma effects of material and other acquisitions on the Group's results are not material.
  - Goodwill comprises of acquired workforce and expected synergies arising from the material and other acquisition.
- a. Pursuant to a share purchase agreement, the Company acquired 51% stake in Cerium Systems Private Limited ("Cerium") on April 9, 2020 for a total consideration of ₹ 1,454 Million, out of which ₹ 916 Million was paid upfront. Further, the Company has entered into an agreement to purchase the remaining 49% stake over a period of three-year, ending March 31, 2023. The Company paid ₹ 1,061 Million for acquiring 20% stake and earnout payment for first tranche. As on March 31, 2021, the contractual obligation towards the acquisition amounts to ₹ 1,922 Million. ( As at March 31, 2022 ₹ 3,320 million)  
Cerium is an integrated circuit and embedded software design service provider.
  - b. Pursuant to a share purchase agreement, the Company acquired 100% stake in Momenton Pty Ltd in Australia through its wholly owned subsidiary, Tech Mahindra Singapore Pte. Ltd on February 12, 2021 for a consideration of AUD 8.45 Million (₹ 476 Million) which was paid upfront.  
Momenton Pty Ltd is a service provider in Software and Cloud Engineering.
  - c. Pursuant to a business purchase agreement, the Company acquired the business of TransSys Technologies Solutions LLC and its group companies ("TransSys Group") in October 2020 for a consideration of USD 4.84 million (₹ 354 million) (upfront consideration of USD 3.9 million (₹ 291 Million) and contingent consideration linked to financial performance).
  - d. Pursuant to a share purchase agreement, the Company acquired 100% stake in Tenzing Limited and Tenzing Australia Limited (together known as Tenzing Group) through its wholly owned subsidiary, Tech

Mahindra Singapore Pte. Ltd. on December 1, 2020 for a consideration of NZD 33.27 Million (₹ 1,751 Million) out of which NZD 30 Million (₹ 1,580 Million) was paid upfront. The agreement also provides for contingent consideration linked to financial performance from financial years ending March 31, 2021 to March 31, 2023. As on March 31, 2021 the contractual obligation towards the said acquisition amounts to NZD 3.5 million (₹ 178 Million). [As at March 31, 2022 ₹ 184 million]

Tenzing Limited is a Management and Technology consulting company serving clients in financial services, commercial services and regulatory sector.

**Notes:**

- The pro-forma effects of the aforesaid acquisitions on the Group's results are not material.
- Goodwill comprises of acquired workforce and expected synergies arising from the material and other acquisition.
- In accordance with Ind AS 103 employee linked consideration of ₹ 889 million is recorded as employee cost in March 31, 2022.

**Sale of Investment in Subsidiary:**

Comviva Technologies Limited, a subsidiary of the Company sold its entire stake in Terra Payment Services South Africa (Pty) Limited and Terra Payment Services (Netherlands)BV and its subsidiaries, hereinafter referred as Terra Group, on March 2, 2020 for an amount of USD 9 Million (₹ 652 Million). During the previous year, Comviva Technologies Limited received an additional consideration based on completion of requisite milestone as specified in the share purchase agreement and accordingly gain of ₹ 730 Million was recognized in the consolidated financial statements.

**38 DISCLOSURE AS REQUIRED UNDER IND AS 112:**

- 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.
- The associates forming part of the Group are not material to the Group for this disclosure.

**39 COMMITMENTS AND CONTINGENCIES**

**39.1 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, 2022 is ₹ 2,786 Million (March 31, 2021: ₹ 2,192 Million).

**39.2 Bank Guarantees**

Bank Guarantees outstanding as at March 31, 2022: ₹7,666 Million (March 31, 2021: ₹ 7,723 Million).

**39.3 Contingent Liabilities for Taxation Matters**

**39.3.1 Contingent Liabilities in respect of Income Taxes/Service Tax/Value Added Tax/Customs and International tax to the extend not provided for**

Contingent Liabilities to the extend not provided for*	₹ in Million	
	As at March 31, 2022	As at March 31, 2021
-Matters relating to Income Tax	30,683	30,379
-Matters relating to Service Tax	15,613	18,149
-Matters relating to VAT/CST/Entry Tax/Custom Duty/Stamp Duty	697	705
-Matters relating to International Tax	503	493

\*excluding consequential interest and penalty if any

## 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 (A.Y) Matters Included				As at	
				March 31, 2022	March 31, 2021
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	4,832	4,653
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	2009-2010 to 2010-2011	Income tax order on account of 1. Transfer Pricing Adjustment 2. Disallowance of deduction under section 10A	285	783
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 2. Disallowance of Cenvat credit for service tax paid under reverse charge mechanism related to overseas branches	164	3,196
Service Tax	TechM	Oct-2012 to Mar-2013	Service on settlement agreement signed by the Company with Aberdeen UK and Aberdeen US (including the penalty amount)	1,057	1,057
Andhra Pradesh VAT	Erstwhile MSat	2002-2003 to 2010-2011	Software development services considered as sale of goods	231	231
Washington Department of Revenue	TechM	2012-2017	Dispute on penalty payable for TML business and occupation taxes under WA audit	-	80
Uganda Revenue Authority	Tech M	2013-2018	Dispute on account of withholding taxes & VAT	118	112

### Abbreviations:

TechM	Tech Mahindra Limited
Erstwhile MSat	Satyam Computer Services Limited
TMBSL	Tech Mahindra Business Service Limited



### 39.3.2 Footnotes to the Schedule above

- 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 compiled by erstwhile Satyam. The BG has been extended up to October 14, 2022.

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.

### 39.4 Other Claims on the Company not acknowledged as debts

- i. Claims against erstwhile Satyam not acknowledged as debts: ₹ 1,480 Million (March 31, 2021 ₹ 1,458 Million).
- ii. Claims made on the Company not acknowledged as debts: ₹ 426 Million (March 31, 2021 ₹ 336 Million).
- iii. 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 of the Act 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.

In addition, the Company has assessed 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.

- iv. Other contingencies ₹ 407 Million (March 31, 2021 ₹ 407 Million).

### 39.5 Title deeds of Immovable Property not held in the name of the Company:

Relevant line item in Balance sheet	Description of property	Gross carrying value (INR million)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the company Also indicate if in dispute
Property, Plant and Equipment	Freehold land located at Bahadurpally, Survey No. 62/1A, Qutubullapur Mandal, Bahadurpally Village, District- Ranga Reddy, Hyderabad – 500043 measuring 581,711 square meters	190	Erstwhile Satyam Computers Services Limited	Not applicable	March 12, 2012 till date	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.
Right-Of-Use-Asset	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	Erstwhile Satyam Computers Services Limited	Not applicable	March 12, 2012 till date	The Company has not yet received the adjudication certificate. Mutation proceedings will be initiated after the adjudication certificate is received from the authority. The Maharashtra Airport Development company (MADC) has issued a claim against the Company for transfer of land and has claimed a transfer fee of 152 Million. The department has not yet issued the letter communication transfer fees.
Right-Of-Use-Asset	Leasehold land located at Plot No. S - 1, Maitree Vihar Road, Chandrasekharpur, Bhubaneswar-751023, admeasuring 55,600 square meters	5	Erstwhile Satyam Computers Services Limited	Not applicable	March 12, 2012 till date	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.

The Group does not have any Benami Property under the Benami Transactions (Prohibition) Act, 1988.

### 40. CODE OF SOCIAL SECURITY, 2020

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post – employment benefits has received the Presidential assent in September 2020. The effective date from which the changes are applicable is yet to be notified. The Group will evaluate and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

### 41. A. PROVISION FOR CLAIMS

The details of provision for claims are as follows:

Particulars	₹ in Million	
	As at	
	March 31, 2022	March 31, 2021
Opening balance	125	105
Provision made during the year	255	1,333
Reversals during the year	(51)	(9)
Utilisation /netted with trade receivable during the year	(305)	(1,304)
<b>Closing balance</b>	<b>24</b>	<b>125</b>

**B. Other Provisions (mainly includes provisions related to onerous contracts)**

Particulars	₹ in Million	
	As at	
	March 31, 2022	March 31, 2021
Opening balance	2,387	296
Provision made during the year	1,054	2,151
Reversals during the year	(869)	(60)
<b>Closing balance</b>	<b>2,572</b>	<b>2,387</b>

**42. PROVISION FOR CONTINGENCIES**

The Group carries a 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:

Particulars	₹ in Million	
	As at	
	March 31, 2022	March 31, 2021
Opening balance	1,198	1,501
Provision made during the year	9	-
Utilisation during the year	(272)	(303)
<b>Closing balance</b>	<b>935</b>	<b>1,198</b>

**43 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:

- 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 had, in the past, 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 with legal notices claiming repayment of the alleged advances aggregating to ₹ 12,304 Million together with damages/compensation @ 18% per annum till the date of repayment. The erstwhile Satyam had not acknowledged any liability and replied to the legal notices stating that the claims are not legally tenable.

Subsequently, the 37 companies filed petitions 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 of Andhra Pradesh in its Order approving the merger of the erstwhile Satyam with the Holding Company, 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 the names of the said 37 companies 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 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. The matter is pending final adjudication.

Appeals were filed before the Division Bench of the Hon'ble High Court of Andhra Pradesh against the Order of the single judge of the Hon'ble High Court of Andhra Pradesh sanctioning the Scheme of merger of erstwhile Satyam with the Company w.e.f. April 1, 2011, which are yet to be heard.

Further, petition was filed by the 37 companies for winding-up of the erstwhile Satyam with the Hon'ble High Court of Andhra Pradesh which was subsequently rejected. One of the aforesaid companies also filed an appeal against the said order with the Division Bench of the Hon'ble High Court of Andhra Pradesh.

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 view of the aforesaid and based on an independent legal opinion, current legal status and lack of documentation to support the validity of the claim, the Management believes that the claim by the 37 companies for repayment of the alleged advances, including interest thereon will not be payable on final adjudication. As endorsed by the Hon'ble High Court in the scheme of merger, the said amount of ₹ 12,304 Million has been disclosed as "Amounts pending investigation suspense account (net)" ("Suspense Account (net)"), which override the relevant requirement of Conceptual Framework for Financial Reporting under Indian Accounting Standards (Ind AS). Accordingly, the amounts of these alleged advances are recorded separately from equity and liability of the Holding Company in the books of account.

#### 44. 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 Holding Company have obtained letters of indemnity from the claimants, indemnifying the Holding Company in regard to future actions by Indian Income tax department in the current year and consequently remitted the Settlement amounts to Aberdeen trusts.

#### 45. DETAILS OF THE INVESTMENT PROPERTY AND ITS FAIR VALUE

The Group has assessed the fair valuation of its investment property from a Government registered an independent valuer.

The fair values of investment properties are given below:

Description	₹ in Million	
	As at March 31, 2022*	As at March 31, 2021*
Land	1,355	1,214
Building	757	777
<b>Total</b>	<b>2,112</b>	<b>1,991</b>

The Group has not revalued any Property, Plant and Equipment, Investment Property and intangible property during the year.

\*includes effect of foreign currency rate fluctuation.

#### 46. 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 honor 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 Holding 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 Holding Company 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 Holding 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 Holding Company 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 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 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 Holding Company.

## **47 SATYAM VENTURE ENGINEERING SERVICES PRIVATE LIMITED (SVES)**

### **47.1 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 of SVES 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 of SVES 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 ₹2,825 Million as on March 31, 2022 (March 31, 2021: ₹ 2,497 Million).

## 47.2 Adoption of financial statements

At the Annual General Meetings of the SVES held for the financial years 2011-2012 to 2020-2021 one of the shareholders abstained from voting on the resolution for adoption of audited financial statements for the respective financial year 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 of SVES as at and for the period ended March 31, 2022 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.

## 48 FOREIGN CURRENCY RECEIVABLES:

In respect of overdue foreign currency receivables for the period's up to March 31, 2009 pertaining to erstwhile Satyam, the Holding 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.

## 49 GOODWILL

Following is the summary of changes in carrying amount of goodwill:

Particulars	₹ in Million	
	For the year ended	
	March 31, 2022	March 31, 2021
Balance at the beginning of the year	40,082	33,877
Acquisitions during the year	34,462	7,148
Impairment	-	(507)
Effect of foreign currency exchange differences (net) and other adjustments	(286)	(436)
<b>Balance at the end of the year</b>	<b>74,258</b>	<b>40,082</b>

Allocation of goodwill by segments as of March 31, 2022 and March 31, 2021 is as follows:

Particulars	Amount in ₹ Million	
	As at	As at
	March 31, 2022	March 31, 2021
IT	62,027	34,462
BPO	12,231	5,620
<b>Total</b>	<b>74,258</b>	<b>40,082</b>

### Allocation of goodwill to cash-generating units

The Group tests goodwill for impairment at least annually, or more frequently if events or changes in circumstances indicate that it might be impaired. 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 CGUs 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. The recoverable value was determined by value in use in cases where there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between market participants at the measurement date under current market conditions. In determining the value in use, cash flow projections from financial budgets approved by senior management have been considered.

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 are considered for next 3-5 years and consider past experience and represent management's best estimate about future developments. Revenue beyond the five-year period are extrapolated using a 2%-3% growth rate (March 31, 2021: 2%-3%). The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 14.6%-18% (March 31, 2021: 14.5% - 21.6%). An analysis of the sensitivity of the computation of recoverable amount to a change in key parameters, based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount other than the amount already recognized in the books of accounts.

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis of the carrying amount of each asset in the unit

## 50 IMPAIRMENT OF GOODWILL AND NON-CURRENT ASSETS

As part of its annual impairment assessment, the Group reassessed the recoverable amount of the CGUs as on March 31, 2022 and March 31, 2021.

Since the recoverable amount determined for these CGUs was lower than the carrying value of the respective CGUs, the Company has recognized an impairment loss of ₹ 507 Million for the year ended March 31, 2021. No Such Impairment loss is recognized for the year ended March 31, 2022.

Details of basis and the discount rate underlying determination of the recoverable amount are:

Name of Subsidiary	As at March 31, 2022		As at March 31, 2021	
	Discount Rate	Amount (₹ in million)	Discount Rate	Amount (₹ in million)
Tech Mahindra Servicios De Informatica Ltda	-	-	21.6%	507
<b>Total</b>	-	-	-	<b>507</b>

(\*) Discount rate is pretax rate based on weighted average cost of capital of the entity.

Estimates of future cash flows used in the value in use calculation are specific to the entity based on latest business plan approved and need not be the same as those of market participants. The future cash flows consider potential risks given the current economic environment and key assumptions, such as volume forecasts and margins. The discount rate used in the calculation reflects market's assessment of the risks specific to the asset as well as time value of money.



## 51 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, 2022 in respect of defined contribution plan is ₹5,462 Million (year ended March 31, 2021: ₹ 3,728 Million).

### b) Defined Benefit Plan

The movement of present value of defined obligation is as follows:

Particulars	₹ in Million	
	As at	
	March 31, 2022	March 31, 2021
Defined benefit obligation at the beginning of the year	5,099	4,659
Current Service cost	1,015	849
Past Service Cost	1,080	-
Interest cost	319	272
Actuarial (gain)/loss – experience	432	(130)
Actuarial (gain)/loss – financial assumptions	(70)	43
Benefits paid	(1,253)	(594)
<b>Projected benefit obligation at the end of the year</b>	<b>6,622</b>	<b>5,099</b>

The composition of Funded Balance as at March 31, 2022 and March 31, 2021 is as follows:

Change in Fair Value of Plan Assets *	₹ in Million	
	As at	
	March 31, 2022	March 31, 2021
<b>Fair value of plan assets at the beginning of the year</b>	199	187
Interest income on Plan Assets	13	11
Actuarial gain/(loss) on plan assets	3	1
<b>Fair value of plan assets at the end of the year</b>	<b>215</b>	<b>199</b>

\*The plan assets are primarily invested in insured managed fund.

Particulars	₹ in Million	
	As at	
	March 31, 2022	March 31, 2021
<b>Defined benefit obligation</b>	<b>6,622</b>	<b>5,099</b>
Fair Value of Plan Assets	(215)	(199)
<b>Net defined benefit obligation disclosed as:</b>	<b>6,407</b>	<b>4,900</b>
-Current provisions	984	564
-Non-current provisions	5,423	4,336

## Expense recognized in the Consolidated Statement of Profit and Loss

₹ in Million		
Particulars	March 31, 2022	March 31, 2021
Service cost	1015	849
Past Service Cost	1,080	-
Interest cost	319	272
Interest Income on Plan Assets	(13)	(11)
<b>Expense recognized in the Consolidated Statement of Profit and Loss</b>	<b>2,401</b>	<b>1,110</b>

₹ in Million		
Actuarial (Gain)/Loss recognized in OCI	March 31, 2022	March 31, 2021
Actuarial (Gain)/Loss arising during the year	360	(87)
Actuarial (Gain)/Loss on plan assets	(3)	(1)
<b>Net (Gain)/Loss recognised in Other Comprehensive Income</b>	<b>357</b>	<b>(88)</b>

₹ in Million		
Principal Actuarial Assumptions (Non Funded)	March 31, 2022	March 31, 2021
Discount Rate	5.00% to 8.00%	5.00% to 8.00%
Expected rate of increase in compensation	2.00% to 10.00%	2.00% to 10.00%
Mortality rate	Indian assured lives Mortality (2006-08) Modified Ult.	Indian assured lives Mortality (2006-08) Modified Ult.
Withdrawal Rate	10.00% to 70.00%	10.00% to 50.00%

₹ in Million		
Principal Actuarial Assumptions (Funded)	March 31, 2022	March 31, 2021
Discount Rate	6.00%	7.00%
Expected rate of increase in compensation	7.00%	7.00%
Withdrawal Rate	16.00%	16.00%

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, 2022	March 31, 2021
1 year	1,223	756
1-2 years	1,161	717
2-3 years	1,159	782
3-4 years	1,139	830
4-5 years	1,313	875
5 and beyond	5,127	3,888

**Sensitivity analysis:** A quantitative sensitivity analysis for significant assumption as at March 31, 2022 and March 31 2021 is as shown below:

₹ in Million						
Effect on DBO on account of % 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, 2022	(138)	145	149	(144)	(91)	108
March 31, 2021	(134)	141	138	(131)	(100)	140

The sensitivity analysis above has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

**52 AUDITORS REMUNERATION (EXCLUSIVE OF GST)**

₹ in Million		
Particulars	March 31, 2022	March 31, 2021
Audit fees (including quarterly audits)	60	52
For other services (certifications, etc.)	33	21
For taxation matters	7	10
For reimbursement of expenses	1	1
<b>Total</b>	<b>101</b>	<b>84</b>

**53 LEASE**
**As a lessee:**

The total cash outflow for leases is ₹ 5,177 Million (March 31, 2021 ₹ 3,794 Million) for the year ended March 31, 2022, including cash outflow for short term and low value leases.

**As a Lessor:**

The Group 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, 2022 is ₹ 415 Million (year ended March 31, 2021: ₹ 407 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	165	440	1,692
	(162)	(498)	(1,786)

Note: - Figures in brackets represents amounts pertaining to year ended March 31, 2021

The Group has given hardware and Software on finance lease. The future lease rentals receivable are as follows:

Particulars	₹ in Million	
	March 31, 2022	March 31, 2021
<b>Minimum lease receivables</b>		
- Less than one year	701	1,093
- One to five years	929	1,473
<b>Total</b>	<b>1,730</b>	<b>2,566</b>
<b>Present value of minimum lease receivables</b>		
- Less than one year	676	1,023
- One to five years	828	1,367
<b>Total</b>	<b>1,504</b>	<b>2,390</b>

## 54. DISCLOSURES FOR REVENUE FROM CONTRACTS WITH CUSTOMERS

### i. Disaggregation of revenue

Revenue disaggregation by industry verticals is as follows:

Industry vertical	₹ in million	
	For the year ended	
	March 31, 2022	March 31, 2021
Communications and Media & Entertainment	180,470	153,188
Manufacturing	70,414	62,458
Technology	39,620	32,259
Banking, Financial services and Insurance	73,223	61,017
Retail, Transport and Logistics	35,230	29,395
Others	47,503	40,234
<b>Total</b>	<b>446,460</b>	<b>378,551</b>

Revenue disaggregation by reportable segments and by geography has been included in segment information (refer note 62).

### 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, 2022 ₹ 387,308 Million. Out of this, the Group expects to recognise revenue of around 54% 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, 2022 and March 31, 2021 are as follows:

Particulars	₹ in Million	
	As at	
	March 31, 2022	March 31, 2021
<b>Contract assets:</b>		
<b>Opening Balances</b>	7,367	7,664
Add: Revenue recognised during the year	29,123	16,463
Less: Invoiced during the year	(24,958)	(16,760)
<b>Closing Balances (refer note 19)</b>	<b>11,532</b>	<b>7,367</b>

Changes in the unearned revenue balances during the year ended March 31, 2022 and March 31, 2021 are as follows:

Particulars	₹ in Million	
	As at	
	March 31, 2022	March 31, 2021
<b>Unearned Revenue:</b>		
<b>Opening Balance</b>	1,958	2,491
Less: Revenue recognised that was included in the unearned revenue at the beginning of the year	(1,575)	(2,262)
Add: Invoiced during year (excluding revenue recognized during the year)	2,513	1,729
<b>Closing Balance (refer note 25 and 29)</b>	<b>2,895</b>	<b>1,958</b>

**vi Contract Price**

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price. The Company has recognized revenue of ₹446,253 Million (March 31 2021, ₹ 378,551 Million) which is adjusted by discounts of ₹9,789 Million (March 31 2021, ₹ 12,807 Million) for the year ended March 31, 2022.

**55 FINANCIAL INSTRUMENTS AND RISK REVIEW**
**Financial Risk Management Framework**

The Group's Board of Directors have an 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, 2022 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	-	-	-	37,889	37,889	37,889
Other balances with banks	-	-	-	1,856	1,856	1,856
Trade receivables (billed and unbilled)	-	-	-	119,342	119,342	119,342
Investments	41,949	420	-	4,500	46,869	46,869
Loans	-	-	-	136	136	136
Other financial assets	-	-	6,080	5,402	11,482	11,482
<b>Total</b>	<b>41,949</b>	<b>420</b>	<b>6,080</b>	<b>169,125</b>	<b>217,574</b>	<b>217,574</b>
<b>Liabilities:</b>						
Trade payables	-	-	-	40,946	40,946	40,946
Borrowings	-	-	-	15,817	15,817	15,817
Lease liabilities	-	-	-	10,367	10,367	10,367
Other financial liabilities	21,021	-	376	23,627	45,024	45,024
<b>Total</b>	<b>21,021</b>	<b>-</b>	<b>376</b>	<b>90,757</b>	<b>112,154</b>	<b>112,154</b>

The carrying value and fair value of financial instruments by categories as of March 31, 2021 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	-	-	-	26,904	26,904	26,904
Other balances with banks	-	-	-	1,448	1,448	1,448
Trade receivables	-	-	-	64,753	64,753	64,753
Investments	91,682	479	-	10,000	102,161	102,161
Loans	-	-	-	47	47	47
Other financial assets	-	-	5,433	32,592	38,025	38,025
<b>Total</b>	<b>91,682</b>	<b>479</b>	<b>5,433</b>	<b>135,744</b>	<b>233,338</b>	<b>233,338</b>
<b>Liabilities:</b>						
Trade and other payables	-	-	-	27,850	27,850	27,850
Borrowings	-	-	-	16,961	16,961	16,961
Lease Liability	-	-	-	12,080	12,080	12,080
Other financial liabilities	6,647	-	2,626	20,519	29,792	29,792
<b>Total</b>	<b>6,647</b>	<b>-</b>	<b>2,626</b>	<b>77,410</b>	<b>86,683</b>	<b>86,683</b>

\*The fair value of cash and cash equivalents, other balances with bank, trade receivables, loans, other financial assets, trade payables, borrowing, lease liability 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 is required):

The different levels have been defined as follows:

Level-1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities at net market value.

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, 2022			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual fund investments	34,113	-	-	34,113
Exchange Traded funds	1,008	-	-	1,008
Equity Shares	24	-	-	24
Preference Shares	-	-	420	420
Treasury Bonds and bills	66	-	-	66
Non-convertible debentures	6,738	-	-	6,738
Derivative financial assets	-	6,080	-	6,080
<b>Total</b>	<b>41,949</b>	<b>6,080</b>	<b>420</b>	<b>48,449</b>
<b>Financial Liabilities:</b>				
Derivative financial liabilities	-	376	-	376
Other financial liabilities	-	-	21,021	21,021
<b>Total</b>	<b>-</b>	<b>376</b>	<b>21,021</b>	<b>21,397</b>

₹ in Million

Particulars	As at March 31, 2021			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual fund investments	86,871	-	-	86,871
Equity Shares	23	-	63	86
Preference Shares	-	-	416	416
Treasury Bonds and bills	51	-	-	51
Non-convertible debentures	2,500	-	-	2,500
Commercial papers	2,237	-	-	2,237
Derivative financial assets	-	5,433	-	5,433
<b>Total</b>	<b>91,682</b>	<b>5,433</b>	<b>479</b>	<b>97,594</b>
<b>Financial Liabilities:</b>				
Derivative financial Liabilities	-	2,626	-	2,626
Other financial Liabilities	-	-	6,647	6,647
<b>Total</b>	<b>-</b>	<b>2,626</b>	<b>6,647</b>	<b>9,273</b>

**Significant unobservable inputs used in level 3 fair values:**

Type	Valuation Techniques	Significant unobservable inputs	Inter relationship between significant unobservable inputs and fair value measurement
Contractual obligation on acquisitions	Discounted cash flow: The valuation model considers the present value of expected payments discounted using a risk adjusted discount rate. The expected payment is determined by considering the possible scenarios of forecast revenue/forecast EBITDA/forecast employee headcount/forecast of new customer the amount to be paid under each scenario and the probability of each scenario	<ul style="list-style-type: none"> <li>• Forecasted Revenue</li> <li>• Forecasted EBITDA</li> <li>• Forecasted employee headcount</li> <li>• Forecasted new customer</li> <li>• Risk Adjusted Discount rate</li> </ul>	Any change (increase/decrease) in the Significant unobservable inputs would entail corresponding change in contractual obligation.

Reconciliation of Level 3 fair value measurements of financial liabilities is given below:

**Reconciliation of movements in Level 3 valuations**

	₹ in Million	
<b>Contractual Obligation – Acquisitions</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
<b>Opening</b>	6,647	4,132
Addition during the year	16,204	6,492
Interest unwinding	290	54
Payment during the year	(1,626)	(4,003)
Gain recognised in profit and loss on fair value adjustment	(494)	(28)
<b>Closing</b>	<b>21,021</b>	<b>6,647</b>

	₹ in Million	
<b>Preference share</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
<b>Opening</b>	415	181
Addition during the year	-	219
Changes in fair value	5	15
<b>Closing</b>	<b>420</b>	<b>415</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 ₹217,574 Million as of March 2022, ₹ 233,338 Million as of March 31, 2021 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.

### Trade Payable:

#### Ageing for Trade Payables:

Particulars	Outstanding for following periods from due date of					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 year	
MSME*	177	218	1	-	-	496
	[137]	[60]	[67]	[29]	[48]	[321]
Others	13,101	6,894	181	116	303	20,595
	[4,147]	[15,155]	[1,887]	[606]	[391]	[22,186]
Disputed Dues-MSME	-	-	-	-	-	-
	[-]	[-]	[-]	[-]	[-]	[-]
Disputed Dues-Others	-	-	-	-	-	-
	[-]	[-]	[-]	[-]	[-]	[-]
<b>Total</b>	<b>13,278</b>	<b>7,112</b>	<b>182</b>	<b>116</b>	<b>303</b>	<b>20,991</b>
	<b>[4,284]</b>	<b>[15,215]</b>	<b>[1,954]</b>	<b>[635]</b>	<b>[439]</b>	<b>[22,527]</b>
<b>Accrued Expense</b>						<b>19,956</b>
						<b>[5,323]</b>
						<b>40,947</b>
<b>Total Trade Payable</b>						<b>[27,850]</b>

\*MSME as per Micro, Small and, Medium and Enterprises Development Act, 2006.

Note: Figures in bracket represents balances as at March 31, 2021.

### 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 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 as of March 31, 2022 and March 31, 2021. 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	As at
	March 31, 2022	March 31, 2021
Balance at the beginning of the year	10,449	9,571
Movement in the expected credit loss allowance on trade receivables and other financial assets:		
Provided during the year	960	1,998
Reversed/utilised during the year	(1,645)	(1,414)
Translation Adjustment	(121)	344
<b>Balance at the end of the year</b>	<b>9,693</b>	<b>10,499</b>

### Ageing for trade receivable - Non Current:

₹ in Million

Particulars	Outstanding for following periods from due date of						Total
	Not Due	Less than 6Months	6months -1year	1-2 years	2-3 years	More than 3 year	
Undisputed trade receivables- considered good		-	-	-	26	-	26
	[-]	[4]	[2]	[78]	[-]	[-]	[84]
Disputed trade receivables- Credit Impairment	-	-	-	-	-	2,367	2,367
	[-]	[-]	[-]	[-]	[-]	[2,367]	[2,367]
<b>Total</b>	-	-	-	-	26	2,367	2,393
	[-]	[4]	[2]	[78]	[-]	[2,367]	[2,451]
<b>Less: Allowances</b>							2,384
							[2,426]
<b>Trade Receivables – Billed</b>							9
							[25]

Note: Figures in bracket represents balances as at March 31, 2021

### Ageing for trade receivable - Current

₹ in Million

Particulars	Outstanding for following periods from due date of						Total
	Not Due	Less than 6Months	6months -1year	1-2 years	2-3 years	More than 3 year	
Undisputed trade receivables- considered good	37,805	33,316	2,432	2,435	1,242	3,338	80,568
	[30,606]	[26,972]	[4,153]	[3,701]	[874]	[2,703]	[69,009]
Undisputed trade receivables- credit impaired	-	-	-	175	586	73	834
	[-]	[76]	[672]	[392]	[140]	[1,356]	[2,636]
<b>Total</b>	<b>37,805</b>	<b>33,316</b>	<b>2,432</b>	<b>2,610</b>	<b>1,828</b>	<b>3,411</b>	<b>81,402</b>
	[30,606]	[27,048]	[4,825]	[4,093]	[1,014]	[4,059]	[71,645]
<b>Less: Allowances</b>							(6,726)
							[6,917]
<b>Trade Receivables - Billed</b>							74,676
							[64,728]
<b>Trade Receivable-Unbilled</b>							44,658
							[25,589]
<b>Total Trade Receivable-Current</b>							119,334
							[90,317]

Note: Figures in bracket represents balances as at March 31, 2021.

## 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 Group 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 Group. The Group, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange currency risk.

The Group 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 Group.

Further the exposure as indicated below is mitigated by some of the derivative contracts entered into by the Group as disclosed in note below.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the year are as follows:

₹ in Million			
Particulars	Currency	March 31, 2022	March 31, 2021
Financial Assets	USD	47,517	44,591
	EUR	11,416	6,778
	GBP	11,968	6,289
	AUD	6,212	4,097
	CAD	5,729	3,222
	Others	42,333	16,280
<b>Total</b>		<b>125,175</b>	<b>81,257</b>
Financial Liabilities	USD	18,559	16,394
	EUR	6,268	5,619
	GBP	1,731	1,586
	AUD	678	558
	CAD	1,977	520
	Others	31,809	4,000
<b>Total</b>		<b>61,022</b>	<b>28,677</b>

A reasonably possible strengthening by 1% of USD, GBP, EUR, AUD and CAD against the Indian Rupee as at March 31, 2022 and 31 March 2021 will affect the consolidated statement of profit and loss by the amounts shown below:

₹ in Million		
Currency	March 31, 2022	March 31, 2021
USD	290	282
EUR	51	12
GBP	102	47
AUD	55	35
CAD	38	27

## 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 upto 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)
	GBP to USD 271	667
	(March 31, 2021: 251)	(March 31, 2021: 1,494)
	USD to EUR 339	1,452
	(March 31, 2021: 300)	(March 31, 2021: 280)
	AUD to USD 253	(176)
	(March 31, 2021: 140)	(March 31, 2021: 586)
	USD to CAD 190	(174)
	(March 31, 2021: 140)	(March 31, 2021: 390)
Forwards	USD to INR 2,226	3,468
	(March 31, 2021: 2,004)	(March 31, 2021: (7,028))
	AUD to INR 4	6
	(March 31, 2021: 6)	(March 31, 2021: (2))
	EUR to INR 12	1
	(March 31, 2021: 5)	(March 31, 2021: (123))
	GBP to INR 27	(137)
	(March 31, 2021: 32)	(March 31, 2021: 166)

The movement in hedging reserve for derivatives designated as Cash Flow Hedges is as follows:

Particulars	₹ in Million	
	As at	
	March 31, 2022	March 31, 2021
(a) Balance at the beginning of the year	2,142	(1,281)
(b) Changes in the fair value of effective portion of derivatives – Gain/(Loss)	1,576	3,555
(c) Net Gain/(Loss) reclassified to statement of profit and loss on occurrence of hedged forecasted transactions	669	(132)
(d) Gain/(Loss) on cash flow hedging derivatives, net (b+c)	2,245	3,423
<b>(e) Balance as at the end of the year (a+d)</b>	<b>4,387</b>	<b>2,142</b>
(f) Tax Impact on effective portion of outstanding derivatives	(1,030)	(634)
<b>(g) Balance as at the end of the year, net of deferred tax (e+f)</b>	<b>3,357</b>	<b>1,508</b>

### c) Details of Interest Rate Swap Contracts

#### Details of Interest Rate Swap Contracts outstanding at the end of year:

Particulars	₹ in Million					
	Average Contracted Fixed Interest Rate		Notional Principal Value		Fair Value assets (liabilities)	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	%	%	₹	₹	₹	₹
<b>Cash Flow Hedges</b>						
Outstanding receive floating pay fixed contracts						
Less than 1 year	0.67% to 2.34%	0.67% to 2.34%	10,384	8,408	181	(102)
1 to 2 years	0.67% to 2.34%	0.67% to 2.34%	3,183	6,872	71	(18)
2 to 5 years	0.67% to 2.34%	0.67% to 2.34%	3,183	3,071	65	25
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, 2022 would decrease/increase by ₹ 26 Million (March 31, 2021: decrease/increase by ₹ 25 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, 2022:

₹ in Million				
Particulars	Less than 1 year	2-5 years	More than 5 years	Total
<b>Non Derivative Financial Liabilities</b>				
Lease Liabilities	3,644	6,745	722	11,111
Borrowings	14,355	1,420	-	15,775
Trade Payables	40,947	-	-	40,947
Other financial liabilities	29,220	15,302	-	44,522
<b>Total</b>	<b>87,166</b>	<b>23,467</b>	<b>722</b>	<b>112,355</b>
Derivative Financial Liabilities	212	164	-	376
<b>Total</b>	<b>87,378</b>	<b>23,631</b>	<b>722</b>	<b>112,731</b>

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2021:

₹ in Million				
Particulars	Less than 1 year	2-5 years	More than 5 years	Total
Non Derivative Financial Liabilities				
Lease Liabilities	4,100	7,129	853	<b>12,082</b>
Other borrowings	15,303	1,658	-	<b>16,961</b>
Trade Payables	27,850	-	-	<b>27,850</b>
Other financial liabilities	18,898	8,398	-	<b>27,296</b>
<b>Total</b>	<b>66,151</b>	<b>17,185</b>	<b>853</b>	<b>84,189</b>
Derivative Financial Liabilities	1,670	956	-	<b>2,626</b>
<b>Total</b>	<b>67,821</b>	<b>18,141</b>	<b>853</b>	<b>86,815</b>

## 56 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, 2022	March 31, 2021
Profit before income taxes	74,521	59,529
Enacted tax rates in India*	25.17%	34.94%
Income tax expense calculated at enacted tax rate	18,757	20,802
Effect of income that is exempt from tax**	(2,185)	(8,241)
Impact of tax exemption which may not be fully utilized	-	2,207
Effect of expenses disallowed for tax purpose	844	892
Effect of differential overseas tax rate	271	-
Effect of change in tax rate *	301	685
Effect of income taxes related to prior years	(185)	793
Others	417	(1,139)
<b>Income tax expense recognised in profit or loss</b>	<b>18,220</b>	<b>15,999</b>

\*The Holding Company is expected to transition to the concessional tax rate under section 115BAA of Income tax Act, 1961 during the current year

\*\*Includes allowance on utilization of Special Economic Zone reinvestment Reserve.

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:

Particulars	₹ in Million	
	As at	
	March 31, 2022	March 31, 2021
Deferred tax assets	8,191	9,133
Deferred tax liabilities	(4,552)	(761)
<b>Deferred tax assets (net)</b>	<b>3,639</b>	<b>8,372</b>

The tax effect of significant temporary differences that has resulted in deferred tax assets for the year ended March 31, 2022 are given below:

Particulars	₹ in Million				
	For the year ended March 31, 2022				
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Others*	Closing balance
Employee Benefits	2,532	(19)	276	-	2,789
Property, Plant and Equipment	1,656	(169)	-	-	1,487
Provisions	2,348	(439)	-	-	1,909
Changes in fair value of derivatives designated as hedges	(1,574)	(146)	(396)	-	(2,116)
Other Items	4,171	207	-	(256)	4,122
<b>Net Deferred Tax Assets</b>	<b>9,133</b>	<b>(566)</b>	<b>(120)</b>	<b>(256)</b>	<b>8,191</b>

\*others include foreign exchange gain/loss

The tax effect of significant timing differences that has resulted in deferred tax liabilities for the year ended March 31, 2021 are given below:

Particulars	₹ in Million				
	For the year ended March 31, 2022				
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Others*	Closing balance
Other Items	(761)	(233)	-	(3,558)	(4,552)
<b>Net Deferred Tax Liabilities</b>	<b>(761)</b>	<b>(233)</b>	<b>-</b>	<b>(3,558)</b>	<b>(4,552)</b>

\*others include deferred tax liability created on intangible assets other than goodwill on the acquisitions

The tax effect of significant timing differences that has resulted in deferred tax assets for the year ended March 31, 2021 are given below:

Particulars	For the year ended March 31, 2021				Closing balance
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Others*	
Employee Benefits	1,886	1,363	(717)	-	2,532
Property, Plant and Equipment	1,451	204	-	-	1,656
Provisions	1,777	571	-	-	2,348
Changes in fair value of derivatives designated as hedges	149	(770)	(953)	-	(1,574)
Other Items	3,180	1,153	-	(162)	4,171
<b>Net Deferred Tax Assets</b>	<b>8,443</b>	<b>2,521</b>	<b>(1,670)</b>	<b>(162)</b>	<b>9,133</b>

₹ in Million

The tax effect of significant timing differences that has resulted in deferred tax liabilities for the year ended March 31, 2021 are given below:

Particulars	For the year ended March 31, 2021				Closing balance
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Others*	
Other Items	(356)	(405)	-	-	(761)
<b>Net Deferred Tax Liabilities</b>	<b>(356)</b>	<b>(405)</b>	<b>-</b>	<b>-</b>	<b>(761)</b>

₹ in Million

\*includes exchange (gain)/ loss

Deferred income tax liabilities have not been recognized on temporary differences amounting to ₹ 45,787 Million and ₹ 35,014 Million as of March 31, 2022 and March 31, 2021 respectively, associated with investments in subsidiaries and branches as it is probable that the temporary differences will not reverse in the foreseeable future.

## 57 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

### a) List of Related Parties

#### Promoter having significant influence and its related parties:

Mahindra & Mahindra Limited\*

#### Joint Venture and Associates

SCTM Engineering Corporation (incorporated on December 23,2020)

Avion Networks, Inc.

SARL Djazatech

EURL LCC UK Algeria

Goodmind S.r.l.

Signature S.r.l.

Infotek Software and Systems Private Limited

Vitaran Electronics Private Limited

SWFT Technologies Limited

Surance Limited

#### Other related parties

Tech Mahindra Foundation

Mahindra Educational Institutions



TML Odd Lot Trust  
 Mahindra Satyam Foundation  
 Tech Mahindra Limited Superannuation Scheme  
 Tech Mahindra Limited Employees Gratuity Scheme  
 Tech Mahindra Limited Employees Gratuity Scheme

### Key Management Personnel

Anand G. Mahindra – Non-Executive Chairman  
 C.P. Gurnani - Managing Director and Chief Executive Officer  
 Milind Kulkarni \$ - Chief Financial Officer  
 Manoj Bhat\$ - Chief Financial Officer  
 Anil khatri- Company Secretary  
 V.S. Parthasarathy & - Non-Executive Director  
 M. Rajyalakshmi Rao - Non-Executive Independent Director  
 T. N. Manoharan - Non-Executive Independent Director  
 M. Damodaran^ - Non-Executive Independent Director  
 Mukti Khaire – Non-Executive Independent Director  
 Haigreve Khaitan - Non-Executive Independent Director  
 Shikha Sharma - Non-Executive Independent Director  
 Dr.Anish Shah - Non-Executive Director

^upto March 31,2022

& up to 31 January 2021

\*includes subsidiaries of Mahindra & Mahindra Limited

\$ Manoj Bhat has moved on from his role of Chief Financial Officer end of day April 1, 2021 and he has been appointed as an Additional Director by the Board w.e.f. April 2, 2021. Milind Kulkarni has been appointed as the Chief Finance Officer w.e.f. April 2, 2021

The Following table summarizes related party transactions and balances:

Nature of Transaction	₹ in million				
	Promoter and its subsidiaries	Associate	Others	KMP	Total
Revenue from operations	1,843	252	-	-	<b>2,095</b>
	[2,133]	[86]	[-]	[-]	[2,219]
Sub-contracting cost	40	8	-	-	<b>48</b>
	[40]	[-]	[-]	[-]	[40]
Reimbursement of Expenses (Net) paid/(received)	394	-	(1)	-	<b>393</b>
	[(254)]	[-]	[(1)]	[-]	[(255)]
Rent income	-	-	85	-	<b>85</b>
	[-]	[-]	[137]	[-]	[137]
Travelling Expenses	77	-	-	-	<b>77</b>
	[15]	[-]	[-]	[-]	[15]
Interest Income	159	-	-	-	<b>159</b>
	[404]	[-]	[-]	[-]	[404]
Other Income	266	-	-	-	<b>266</b>
	[-]	[-]	[-]	[-]	[-]
Redemption of Inter corporate deposit	5,000	-	-	-	<b>5,000</b>
	[-]	[-]	[-]	[-]	[-]

₹ in million

<b>Nature of Transaction</b>	<b>Promoter and its subsidiaries</b>	<b>Associate</b>	<b>Others</b>	<b>KMP</b>	<b>Total</b>
Redemption of Non-Convertible Debentures	1,500	-	-	-	<b>1,500</b>
Investment In Inter corporate deposit	[-]	[-]	[-]	[-]	[-]
Interest Expenses	4,500	-	-	-	<b>4,500</b>
Dividend Paid	[5,000]	[-]	[-]	[-]	[5,000]
Corporate Social Responsibility expenditure / donation	25	-	-	-	<b>25</b>
Remuneration to KMPs	[29]	[-]	[-]	[-]	[29]
Commission/Sitting fees	10,204	-	3	289	<b>10,496</b>
	[4,661]	[-]	[-]	[131]	[4,792]
	-	-	1,160	-	<b>1,160</b>
	[-]	[-]	[1,112]	[-]	[1,112]
	-	-	-	672	<b>672</b>
	[-]	[-]	[-]	[264]	[264]
	-	-	-	98	<b>98</b>
	[-]	[-]	[-]	[67]	[67]

₹ in million

<b>Nature of Closing balance</b>	<b>Promoter and it's subsidiaries</b>	<b>Associate</b>	<b>Others</b>	<b>KMP</b>	<b>Total</b>
Advances Receivable	-	-	-	-	-
Trade Payables	[1]	[-]	[-]	[-]	[1]
Trade Receivables-billed	203	-	-	-	<b>203</b>
Interest Receivable	[198]	[1]	[-]	[-]	[199]
Contractually Reimbursable Expenses (receivable)	815	69	84	-	<b>968</b>
Rent Receivable	[532]	[27]	[-]	[-]	[559]
Trade Receivable-Unbilled	85	-	-	-	<b>85</b>
Investment Property	[-]	[-]	[-]	[-]	[-]
Intercorporate Deposit	34	-	-	-	<b>34</b>
Non-convertible Debentures	[56]	[-]	[-]	[-]	[56]
Financial Guarantee Contracts	-	-	316	-	<b>316</b>
	[-]	[-]	[209]	[-]	[209]
	253	143	-	-	<b>396</b>
	[169]	[-]	[-]	[-]	[169]
	-	-	398	-	<b>398</b>
	[-]	[-]	[450]	[-]	[450]
	4,500	-	-	-	<b>4,500</b>
	[5,000]	[-]	[-]	[-]	[5,000]
	-	-	-	-	-
	[1,500]	[-]	[-]	[-]	[1,500]
	62	-	-	-	<b>62</b>
	[88]	[-]	[-]	[-]	[88]

₹ in million

Nature of Closing balance	Promoter and it's subsidiaries	Associate	Others	KMP	Total
Loan Given	-	169	-	-	<b>169</b>
	[-]	[126]	[-]	[-]	[126]
Advances	-	-	-	-	-
	[1]	[-]	[-]	[-]	[1]
Payable to Key management Personnel	-	-	-	86	<b>86</b>
	[-]	[-]	[-]	[89]	[89]

Note: Figures in brackets represent transaction for the year ended March 31,2021 and closing balances as at March 31,2022 respectively.

- b) Total Related Party Transactions and significant related party transactions (by entity) for the year ended March 31, 2022 and March 31, 2021.

₹ In Million

Nature of Transaction	Name of the party	For the year ended	
		March 31, 2022	March 31, 2021
Revenue from operations		<b>2,095</b>	<b>2,219</b>
	Mahindra & Mahindra Limited	1,449	1,515
Sub-contracting cost		<b>48</b>	<b>40</b>
	Mahindra Defence Systems Ltd	40	33
	SCTM Engineering Corporation	8	-
Reimbursement of Expenses (Net)-Paid/ (Receipt)		<b>393</b>	<b>(255)</b>
	Mahindra & Mahindra Limited	206	(130)
	Mahindra Racing Uk Limited	176	(94)
Rent Income		<b>85</b>	<b>137</b>
	Mahindra Educational Institutions	85	137
Travelling expenses		<b>77</b>	<b>15</b>
	Mahindra Logistics Ltd	77	15
Interest income		<b>159</b>	<b>404</b>
	Mahindra & Mahindra Financial services Limited	158	258
	Mahindra World City Developers Limited	1	-
Other Income		<b>266</b>	<b>-</b>
	Mahindra Rural Housing Finance	266	-
Redemption of Inter Corporate Deposit		<b>5,000</b>	<b>-</b>
	Mahindra & Mahindra Financial Services Limited	5,000	-

₹ In Million

Nature of Transaction	Name of the party	For the year ended	
		March 31, 2022	March 31, 2021
Redemption of Non-Convertible Debentures		<b>1,500</b>	-
	Mahindra Rural Housing Finance	1,500	
Investments in Inter Corporate Deposit		<b>4,500</b>	<b>5,000</b>
	Mahindra & Mahindra Financial Services Limited	2,000	5,000
	Mahindra World City Developers Limited	2,500	-
Interest Expenses		<b>25</b>	<b>29</b>
	Mahindra & Mahindra Limited	25	29
Dividend Paid		<b>10,496</b>	<b>4,792</b>
	Mahindra & Mahindra Limited	10,188	4,654
Corporate Social Responsibility Expenditure (donations)		<b>1,160</b>	<b>1,112</b>
	Tech Mahindra Foundation	539	647
	Mahindra Educational Institutions	621	465
Remuneration to KMPs (Including Salary, stock compensation benefits & post-employment benefits) @		<b>672</b>	<b>264</b>
	C. P. Gurnani	634	219
	Manoj Bhat	-	38
	Anil Khatri	12	7
	Milind Kulkarni	26	-
Commission/Sitting fees/ stock compensation benefits		<b>98</b>	<b>67</b>
	Non-Executive/Independent Directors	98	67

Note: i. Disclosure of entity wise transactions are given for material transactions within each category.

ii. Additionally, an amount of ₹ 2 Million (March 31, 2021 ₹ 11 Million) is paid to a firm in which a Director is a Partner.

@ Employment benefits comprising gratuity and compensated absences are not disclosed as these are determined for the Company as a whole. Remuneration in nature of share based payments represents cost accrued during the period.

**i) Significant closing Related Party Balances as follows:**

Balance as on	Name of the party	₹ In Million	
		As at March 31, 2022	As at March 31, 2021
Trade Payables		<b>203</b>	<b>199</b>
	Mahindra Defence Systems Ltd	97	135
	Mahindra & Mahindra Limited	95	53
Trade Receivables - billed		<b>968</b>	<b>559</b>
	Mahindra Defence Systems Ltd	234	75
	Mahindra & Mahindra Limited	510	364
Interest Receivable		<b>85</b>	-
	Mahindra & Mahindra Financial Services Limited	84	-
	Mahindra World City Developers Limited	1	-
Contractually Reimbursable Expenses receivable		<b>34</b>	<b>56</b>
	Mahindra & Mahindra Limited	34	56
Rent Receivable		<b>316</b>	<b>209</b>
	Mahindra Educational Institutions	316	209
Trade Receivable-Unbilled		<b>396</b>	<b>169</b>
	Mahindra & Mahindra Limited	237	120
	SWFT Technologies Limited	105	-
Investment Property		<b>398</b>	<b>450</b>
	Mahindra Educational Institutions	398	450
Inter Corporate Deposit		<b>4,500</b>	<b>5,000</b>
	Mahindra & Mahindra Financial Services	2,000	5,000
	Mahindra World City Developers Limited	2,500	-
Investment in Non-convertible debentures		-	<b>1,748</b>
	Mahindra Rural Housing Finance Ltd	-	1,748
Financial Guarantee Contracts		<b>62</b>	<b>88</b>
	Mahindra & Mahindra Limited	62	88
Loan Given		<b>169</b>	<b>126</b>
	Signature S.r.l.	46	-
	SARL Djazatech	123	126
Advances		-	<b>1</b>
	Mahindra & Mahindra Limited	-	1

Note:1. Disclosure of entity wise balances are given for material transactions within each category.

2. Refer note 8 for closing balance of investment.

3. Amounts less than ₹ 0.5 Million are reported as 0.

## ii. Disclosure under Rule 11(e) and 11 (f) of the Companies (Audit and Auditors) Rules, 2014:

SN	Name of intermediary	Date	Amount (₹ in Million)	Use of funds
1	Tech Mahindra (Americas) Inc.	19-July-21	2,400	Acquisition of 100% stake in Eventus Solutions Group, LLC (USA) and its subsidiaries.
2	Tech Mahindra (Singapore) Pte Limited	15-Sep-21	475	Acquisition of 100% stake in We Make Websites Limited (United Kingdom) and its subsidiaries.
3	Tech Mahindra (Americas) Inc.	12-Oct-21	2,250	Acquisition of 100% stake in Infostar LLC (USA).
4	Tech Mahindra (Americas) Inc.	25-Nov-21	3,000	Acquisition of 100% stake in Activus Connect LLC (USA) and its subsidiaries.
5	Tech Mahindra London Limited	27-Dec-21	19,475	Acquisition of 100% stake in Com Tec Co IT LTD (Cyprus) and its subsidiaries.
6	Tech Mahindra (Americas) Inc.	30-Dec-21	6,778	Acquisition of 100% stake in Green Investments LLC (USA) and its subsidiaries.
7	Tech Mahindra (Singapore) Pte Limited	15-Feb-22	324	Acquisition of 80% stake in GEOMATIC.AI PTY LTD (Australia)

The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act, 2013 and the above transactions are not violative of the Prevention of Money-Laundering Act, 2002.

## 58A DISCLOSURE AS 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, 2022 include:

Name of the company	Face Value of closing balance	Outstanding as at March 31, 2022/ March 31, 2021	₹ In Million
			Maximum amount outstanding during the year*
Bajaj Finance Limited	-	-	<b>8,000</b>
	[-]	[-]	[2,000]
HDFC Limited	-	-	<b>3,000</b>
	[3,000]	[3,000]	[6,000]
Mahindra & Mahindra Financial Services Limited	<b>2,000</b>	<b>2,000</b>	<b>5,000</b>
	[5,000]	[5,000]	[5,000]
Mahindra world City Developers Limited	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>
	[-]	[-]	[-]
-Mahindra Rural Housing Finance Limited	-	-	<b>1,500</b>
	[1,500]	[1,748]	[1,500]
Tata Capital Financial Services Limited	-	-	-
	[-]	[-]	[3,250]
Aditya Birla Finance Limited	-	-	<b>3,000</b>
	[-]	[-]	[1,620]
Tata Sons Private Limited	-	-	-
	[-]	[-]	[300]
HDB Financial Services Limited	-	-	-
	[-]	[-]	[1,000]

Name of the company	Face Value of closing balance	Outstanding as at March 31,2022/ March 31, 2021	₹ In Million
			Maximum amount outstanding during the year*
Kotak Mahindra Investments Limited	750	753	750
	[750]	[752]	[2,750]
State Bank of India	4,000	3,983	4,000
	[2,250]	[2,237]	[2,250]
Citicorp Finance (India) Limited	2,000	2,002	2,000
	[2,000]	[2,000]	[3,500]

Note: Figures in brackets represent outstanding balances as at March 31,2021

\* Represents face value of the investments.

**b. For other investments and loans refer note 8,10,14 and 58**

**59 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 & ESOP 2018:**

The Company has instituted 'Employee Stock Option Plan 2006' (ESOP 2006) , 'Employee Stock Option Plan 2014' (ESOP 2014) and 'Employee Stock Option Plan 2018' (ESOP 2018) 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 grant for ESOP 2014 and ESOP 2018.

The vesting period of the above mentioned 5 ESOP Schemes, namely ESOP 2000, ESOP 2006, ESOP 2010, ESOP 2014 and ESOP 2018 are as follows:

Vesting percentage of options			
Service period from date of grant	ESOP 2000 and ESOP 2010	ESOP 2006	ESOP 2014 and ESOP 2018
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, 2022:**

ESOP Scheme	Method of Settlement	Number of options granted during the year ended March 31, 2022	Grant date	Weighted average fair value
ESOP 2018	Equity settled Plans	457,000	April 26, 2021	873
ESOP 2014	Equity settled Plans	65,000	July 30, 2021	1,037
ESOP 2014	Equity settled Plans	110,000	October 23,2021	1,369
ESOP 2018	Equity settled Plans	518,925	March 31,2022	1,378



**viii. Details of activity of the ESOP schemes**

Movement for the year ended March 31, 2022 and year ended March 31, 2021:

ESOP Scheme	Particulars	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 2006	Number of options	56,800 [109,200]	- [-]	14,000 [-]	- [4,000]	16,800 [48,800]	26,000 [56,800]	26,000 [56,800]
	WAEP*	189.82 [212.3]	- [-]	- [-]	- [311.16]	230.5 [230.5]	171.38 [189.82]	171.38 [189.82]
ESOP 2010	Number of options	- [6,668]	- [-]	- [-]	- [-]	- [6,668]	- [-]	- [-]
	WAEP*	- [5]	- [-]	- [-]	- [-]	- [5]	- [-]	- [-]
TML ESOP B-2013	Number of options	146,384 [296,300]	- [-]	26,240 [584]	9,168 [54,012]	49,888 [95,320]	61,088 [146,384]	61,088 [146,384]
	WAEP*	333.8 [307.84]	- [-]	- [233]	307 [257]	391.59 [298.54]	331.57 [333.8]	331.57 [333.8]
TML RSU	Number of options	89,980 [194,788]	- [-]	332 [20,000]	- [20,000]	50,400 [64,808]	39,248 [89,980]	39,248 [89,980]
	WAEP*	5 [5]	- [-]	- [5]	- [5]	5 [5]	5 [5]	5 [5]
ESOP A	Number of options	13,200 [22,600]	- [-]	1000 [-]	6,500 [6,400]	5,700 [3,000]	- [13,200]	- [13,200]
	WAEP*	30 [30]	- [-]	- [-]	30 [30]	30 [30]	- [30]	- [30]
ESOP 2014	Number of options	9,955,065 [11,783,279]	175,000 [870,000]	495,416 [403,230]	132,069 [252,250]	3,106,664 [2,042,734]	6,395,916 [9,955,065]	4,757,716 [6,075,765]
	WAEP*	214.81 [243.98]	5 [5]	240.33 [247.78]	601 [622]	259.71 [236.94]	177.31 [214.81]	177.31 [214.81]
ESOP 2018	Number of options	2,969,687 [2,717,560]	975,925 [565,500]	601,350 [163,300]	- [300]	349,660 [149,773]	2,994,602 [2,969,687]	445,333 [248,816]
	WAEP*	5 [5]	5 [5]	5 [5]	- [-]	5 [5]	5 [5]	5 [5]
Total	Number of options	13,231,116 [15,130,395]	1,150,925 [1,435,600]	1,138,338 [587,114]	147,737 [336,962]	3,579,112 [2,410,703]	9,516,854 [13,231,116]	5,329,385 [6,630,945]

Note: Figures in bracket represents balances as at March 31, 2021

\* Weighted average exercise price

**ix. Information in respect of options outstanding:**

ESOP Scheme	Range of Exercise price	As at March 31, 2022		As at March 31, 2021	
		Number of Options Outstanding	Weighted average remaining life (in Years)*	Number of Options Outstanding	Weighted average remaining life (in Years)*
ESOP 2006	151-300	26,000	0	56,800	0
TML ESOP B-2013	151-300	37,088	0.05	81,620	0.21
TML ESOP B-2013	301-450	12,000	0.37	46,764	1.07
TML ESOP B-2013	451-600	12,000	0.83	18,000	1.33
TML RSU	5-150	39,248	0.55	89,980	0.95
ESOP A	5-150	-	-	13,200	0
ESOP-2014	5-150	4,229,777	4.60	5,857,549	5.25
ESOP-2014	301-450	1,062,995	2.26	1,971,025	3.20
ESOP-2014	451-600	16,500	3.14	32,100	3.04
ESOP-2014	601-750	1,086,644	0.92	2,094,391	1.59
ESOP 2018	5-150	2,994,602	6.27	2,969,687	6.64

\*Weighted average remaining life for options exercised pending allotment as at year end has been disclosed as '0'.

- x. The employee stock compensation cost for the Employee Stock Option Plan 2018, 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, 2022, the Company has accounted for employee stock compensation cost (equity settled) amounting to ₹ 905 Million (March 31, 2021: ₹ 1,330 Million). This amount is net of cost of options granted to employees of subsidiaries.
- xi. The fair value of each option is estimated on the date of grant using Black-Scholes-Merton model with the following assumptions:

Assumptions Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	ESOP 2018	ESOP 2014	ESOP 2018	ESOP 2014
Weighted average share price	1,142	1,246	802	675
Exercise Price	5	5	5	5
Expected Volatility (%)	30-35	30-35	30-33	30-33
Expected Life (in years)	2-6	2-6	2-6	2-6
Expected Dividend (%)	1-2	1-2	1-2	1-2
Risk Free Interest Rate (%)	5-6	5-6	5-6	5-6

## 60 EARNINGS PER SHARE IS CALCULATED AS FOLLOWS:

₹ in Million except earnings per share

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Net Profit attributable to shareholders after taxation	55,661	44,280
Equity Shares outstanding as at the end of the year (in nos.) *	877,597,850	873,959,406
Weighted average Equity Shares outstanding as at the end of the year (in nos.) #	878,976,889	874,376,628
Add: Dilutive impact of employee stock options	7,187,772	7,817,168
Number of Equity Shares used as denominator for calculating Diluted Earnings Per Share	886,164,661	882,193,796
Nominal Value per Equity Share (in ₹)	5.00	5.00
- Earnings Per Share (Basic) (in ₹)	63.32	50.64
- Earnings Per Share (Diluted) (in ₹)	62.81	50.19

\* - includes adjustment for shares held by ESOP Trust and TML Benefit Trust

# - includes adjustment for vested options exercisable for little or no consideration and shares held by ESOP Trust and TML Benefit Trust

## 61 DISCLOSURE ON CASH AND NON-CASH CHANGES FOR LIABILITIES ARISING FROM FINANCING ACTIVITIES:

Mentioned below are the components of liabilities related to financing activities in cash flow for the year ended March 31, 2022:

Particulars	Opening balance	Cash flow (net)	Net additions	Foreign Exchange movement	Closing balance
Borrowings*	16,928 [24,707]	(1,625) [(7,949)]	- [-]	514 [170]	15,817 [16,928]
Lease liability*	12,080 [11,998]	(5,177) [(3,794)]	3,300 [3,866]	164 [(10)]	10,367 [12,080]

\*includes current and non-current portion.

- 62** 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 Chief Executive Officer and Managing Director.

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 the Company 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, 2021 along with comparatives is given below:

## A. Business Segments

₹ in Million

Particulars	For the year ended					
	March 31, 2022			March 31, 2021		
	IT Services	BPO	Total	IT Services	BPO	Total
Revenue	391,852	54,608	446,460	340,495	38,056	378,551
Direct Expenses	322,508	43,752	366,260	280,074	30,007	310,081
Segmental Operating Income			80,200			68,470
Less : Unallocable Expenses						
Finance Costs			1,626			1,740
Depreciation and amortisation expense			15,204			14,577
Impairment of Goodwill and Non-Current Assets			-			507
Total Unallocable Expenses			<b>16,830</b>			<b>16,824</b>
Operating Income			<b>63,370</b>			<b>51,646</b>
Other Income			11,123			7,871
Share in Profit/(Loss) of Associate			<b>28</b>			<b>12</b>
Profit before Tax			<b>74,521</b>			<b>59,529</b>
Provision for Taxation:						
Current tax and deferred tax			18,220			15,999
Profit for the year attributable to:			<b>56,301</b>			<b>43,530</b>
Owners of the Company			<b>55,661</b>			<b>44,280</b>
Non-Controlling Interest			640			(750)

₹ in Million

Statement of segment Assets and Liabilities	March 31, 2022	March 31, 2021
<b>Segment Assets</b>		
<b>Trade and Other Receivables</b>		
IT	117,498	89,331
BPO	15,179	11,201
<b>Total Trade Receivables</b>	<b>132,677</b>	<b>100,532</b>
<b>Goodwill</b>		
IT	62,027	34,462
BPO	12,231	5,620
<b>Total Goodwill</b>	<b>74,258</b>	<b>40,082</b>
Unallocable Assets	241,772	256,166
<b>TOTAL ASSETS</b>	<b>448,707</b>	<b>396,780</b>
<b>Segment Liabilities</b>		
<b>Unearned revenue</b>		
IT	10,006	7,414
BPO	1,455	286
<b>Total Unearned revenue</b>	<b>11,461</b>	<b>7,770</b>
Unallocable Liabilities	163,435	136,635
<b>TOTAL LIABILITIES</b>	<b>174,896</b>	<b>144,335</b>

## B. Revenues as per geographies

Geography	For the year ended	
	March 31, 2022	March 31, 2021
Americas	214,084	179,698
Europe region	117,075	98,317
India	26,476	25,696
Rest of world	88,825	74,840
<b>Total</b>	<b>446,460</b>	<b>378,551</b>

During the year ended March 31, 2022 one customer individually accounted for more than 10% of the revenue.

### 63 Additional Information pursuant to para 2 of general instructions for the preparation of consolidated financial statements (refer annexure I).

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  
 Mumbai, India  
 Date: May 13, 2022

#### For Tech Mahindra Limited

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

**Milind Kulkarni**  
 Chief Financial Officer

Mumbai, India  
 Date: May 13, 2022

**T. N. Manoharan**  
 Director

**Anil Khatri**  
 Company Secretary

**Manoj Bhat**  
 Director

## GLOSSARY

AI = Artificial Intelligence	Technology that emulates human performance by learning, coming to its own conclusions, understanding complex content, engaging in natural dialogs with people, augmenting human effort or replacing people on execution of non-routine tasks. Also known as Cognitive Computing.
BCP = Business Continuity Plan	The capability of an organization to continue the delivery of products or services at pre-defined acceptable levels following a disruptive incident.
BiPAP = Bilevel Positive Airway Pressure	It is a type of ventilator—a device that helps with breathing.
BMS = Building Management System	A computerized system installed in buildings to manage and monitor equipment such as air-conditioning, heating, ventilation, lighting, power systems, among others.
BRSR = Business Responsibility and Sustainability Report	BRSR is compliance and communication tool for demonstrating company's non-financial disclosures. A Responsible Business Operates efficiently and responsibly; meets and exceeds legislation and always considers its impact on people and the environment.
BSC = Balanced Score Card	A strategy performance management tool for senior management performance evaluation.
BWS = Baseline Water Stress	Ratio between total water withdrawal and available renewable surface water supply.
BYOD = Bring Your Own Device	Practice of allowing the employees of an organization to use their own computers, smartphones, or other devices for work purposes.
CAPE = Community Action Platform for Energy	An innovative pilot project to develop an interactive and free to-use platform that puts Big data in the hands of communities. This data helps them to make energy use cheaper and more sustainable.
CAPEX = Capital Expenditures	Major purchases by a company which are designed to be used over the long-term period. CAPEX include physical assets, viz: building, equipment, machinery and vehicles.
CDO= Chief Delivery Officer	Leads global delivery of projects at frontline.
CDP = Carbon Disclosure Project	A not for profit charity that runs the global disclosure systems for investors, companies, cities, states, and regions to manage their environmental impacts. It is the Gold standard of environmental reporting.
CDSB = Climate Disclosure Standards Board	An international consortium of business and environmental NGOs. It provides material information for investors and financial markets through the integration of climate change-related information.
CDSCO = Central Drugs Standard Control Organisation	National regulatory body for cosmetics, pharmaceuticals and medical devices.
CEBC = Code of Ethical Business Conduct	A guide of principles designed to help professionals conduct business honestly and with integrity.
CEO = Chief Executive Officer	An executive of the Company responsible for managing the organization.
CFL = Compact Fluorescent Lamp	A compact fluorescent lamp also called compact fluorescent light, energy-saving light and compact fluorescent tube, is a fluorescent lamp designed to replace an incandescent light bulb.
CFO = Chief Financial Officer	An officer of a company having responsibility for managing company's finance function.
CII = Confederation of Indian Industries	A non-governmental trade association and advocacy group works to create and sustain an environment conducive to the development of India, Industry, Government and Civil Society.
CIN = Corporate Identification Number	Unique identification number issued by the Ministry of Corporate Affairs upon incorporation of the company under the Companies Act, 1956 / 2013.
CIO = Chief Information Officer	An executive of the Company responsible for the management, implementation and usability of information and computer technologies.
CME = Communications, Media & Entertainment	Industries like Communication Service Providers, Broadcasting, Publishing, Marketing and Advertising, Gaming and Entertainment etc.
CPCB = Central Pollution Control Board	An autonomous agency that plays an advisory role to the government and state pollution control boards in matters relating to air, water and environmental acts.

CPO = Chief People Officer	A human resource officer who oversees all aspect of human resource management in the Company.
CRM = Customer Relationship Management	CRM refers to all strategies, techniques, tools, and technologies used by enterprises for developing, retaining and acquiring customers.
CRO = Chief Risk Officer	An executive accountable for enabling the efficient and effective governance of significant risks and related opportunities to a business.
CSC=Corporate Sustainability Cell	Responsible for driving Sustainability functions and initiatives in the organization.
CSD = Customer Support Desk	Support Centre for Customers contact and service.
CSO = Chief Sustainability Officer	The corporate title of an executive position within a Company who is in-charge of the environmental programs.
CSR = Corporate Social Responsibility	A self-regulating business model that helps a Company be socially accountable to itself, its stakeholders and to the public.
D&I = Diversity and Inclusivity	Human Resource function to ensure that the organization is comprised of diverse individuals (based on individual characteristics, values, beliefs, and backgrounds) and to foster a work environment in which all employees feel respected, accepted, supported and valued.
DIN = Director Identification Number	A unique identification number issued by the Ministry of Corporate Affairs under the Companies Act, 1956 / 2013 to the person who is / proposed to be appointed as Director of the Company.
DJSI = Dow Jones Sustainability Index	A family of indices that evaluate the sustainability performance of companies trading publicly.
DRP = Disaster Recovery Plan	A documented structured approach that describes how quickly an organization can resume work after an unplanned incident.
EBIT = Earnings Before Interest and Taxes	Net income before interest expense and income tax expense.
EBITDA= Earnings Before Interest, Taxes, Depreciation and Amortization	Net income before interest, income tax expense and depreciation & amortization.
ERI = Exponential Roadmap Initiative	An accredited partner of UN's Race to Zero the ERI is for innovators, transformers and disruptors taking action in line with 1.5°C, with the mission to halve emissions before 2030 through exponential climate action and solutions.
ERM = Enterprise Risk Management	Includes methods and processes used by business to manage risk and seize opportunities related to achievement of their objectives.
ESG = Environmental, Social and Governance	The three central factors in measuring the sustainability and societal impact of an investment in a Company or business.
ESOP = Employee Stock Option Plan	Stock option plan provided by the Company for its employees.
e-waste = Electronic Waste	Any electronic device that is no longer useful, functional or has become obsolete. It encompasses all broken, unusable or outdated/obsolete electronic devices, components and materials.
FMEA = Failure Mode Effect Analysis	The process of reviewing as many components, assemblies and subsystems as possible to identify failure modes in a system and their cause and effect.
GHG = Greenhouse Gas	Any gas that has the property of absorbing infrared radiations emitted from the earth's surface and re-radiating it back to the earth, thus contributing to green-house effect.
GJ = Gigajoule	An unit used to measure energy. It is equal to one billion (10 <sup>9</sup> ) joules. This unit comes from a combination of metric-prefix "giga" and SI derived unit of energy "joule".
GRI = Global Reporting Initiative	An international independent standards organization that helps businesses, governments and other organizations understand and communicate their impacts on issues such as climate change, human rights and corruption.
HC = Headcount	Number of Employees working for the Company.
HSE = Health, Safety and Environment	HSE is an acronym for the methodology that studies and implements the practical aspects of protecting the environment and maintaining health and safety at occupation.

HVAC = Heating, Ventilation and Air Conditioning	The technology of indoor and vehicular environmental comfort. Its goal is to provide thermal comfort and acceptable indoor air quality. These systems use fresh air from outdoors to provide high indoor air quality. The V in HVAC or ventilation is the process of replacing or exchanging air within a space.
IaaS = Infrastructure as a Service	Allows customers to outsource their IT infrastructures such as servers, networking, processing, storage, virtual machines and other resources.
IEPF = Investor Education & Protection Fund	Fund established by the Ministry of Corporate Affairs, Government of India for the benefit of investors.
IGBC = Indian Green Building Council	Part of the Confederation of Indian Industry (CII) to enable a sustainable built environment for all and facilitate India to be one of the global leaders in the sustainable built environment by 2025*.
IIRC = International Integrated Reporting Council	A global coalition of regulators, investors, companies, standard setters, the accounting profession, academia, and NGOs. The coalition promotes communication about value creation, preservation, and erosion as the next step in the evolution of corporate reporting.
IoT = Internet of Things	A network of interconnected machines or devices embedded with sensors, software, network connectivity and necessary electronics to generate and share run-time data that can be studied and used to monitor or control remotely, predict failure and optimize the design of those machines / devices.
IRIS = Ideate, Refine, Implement, Shine	IRIS is Tech Mahindra's organization wide program to facilitate a culture of innovation.
ISR = Individual Social Responsibility	When individuals become more responsible in their actions affecting communities, in their immediate cycle of family and friends.
ISV = Independent Software Vendor	A software producer that is not owned or controlled by a hardware manufacturer; a company whose primary function is to distribute software.
IT = Information Technology	Everything that businesses use computers for. IT is building communications networks for a company, safeguarding data and information, creating and administering databases, helping employees troubleshoot problems with their computers or mobile devices, or doing a range of other work to ensure the efficiency and security of business information systems.
KPIs = Key Performance Indicators	A performance indicator or key performance indicator is a type of performance measurement. KPIs evaluate the success of an organization or of a particular activity in which it engages.
kWh = Kilowatt-hour	A unit of energy equal to 3600 kilojoules. The kilowatt-hour is commonly used as a billing unit for energy delivered to consumers by electric utilities.
LED = Light Emitting Diode	A semi-conductor device that emits light.
LEED = Leadership in Energy and Environmental Design	LEED is the most widely used green building rating system. LEED provides a framework for healthy, highly efficient and cost-saving green buildings.
MCA = Ministry of Corporate Affairs	MCA is an Indian Government Ministry, primarily concerned with administration of the Companies Act 2013, the Limited Liability Partnership Act, 2008, and the Insolvency and Bankruptcy Code, 2016 & other allied Acts and rules & regulations framed there-under mainly for regulating the functioning of the corporate sector in accordance with law.
MD = Managing Director	A Managing Director is a person who is responsible for the day to day operations of a company.
MEI = Mahindra Educational Institutions	The corporate social responsibility arm of Tech Mahindra Limited, a Section 8 Company.
MOEF = Ministry of Environment, Forest, and Climate Change	The Ministry of Environment, Forest and Climate Change is an Indian Government Ministry.
MSP = Making Sustainability Personal	Living in a way to create conscious, educated and mindful communities and businesses, while exerting no harmful impact on the environment.
MTCO <sub>2e</sub> = Metric Tons of Carbon Dioxide Equivalent	A unit of measurement of Green House Gases (GHG) whose atmospheric impact has been standardized.
mWh = Mega Watt Hour	A megawatt hour (mWh) is equal to 1,000 Kilowatt hours (kWh). It is equal to 1,000 kilowatts of electricity used continuously for one hour.
NAD = New Age Delivery	An industry agonistic service delivery platform, which enables all the verticals to deliver better, faster cheaper new age solutions to the customers.

NASSCOM = National Association of Software and Service Companies	An association that focuses on IT and business process outsourcing industry.
NDC = Nationally Determined Contributions	Climate action plan to cut greenhouse gas emissions and reduction, and adaption to climate impacts.
NGOs = Non-Government Organisations	Acronym for organizations which are independent of Government involvement.
NITI = National Institution for Transforming India	The NITI Aayog is a public policy think tank of the Government of India, established with the aim to achieve sustainable development goals with cooperative federalism by fostering the involvement of State Governments of India in the economic policymaking process using a bottom-up approach.
NLP = Natural Language Processing	Branch of computer science—more AI—concerned with giving computers the ability to understand text and spoken words in much the same way human beings can.
NOX = Nitrogen Oxides	A highly poisonous gas.
OAVM = Other Audio Visual Means	Means of Communication to be used for Meetings.
OEM = Original Equipment Manufacturer	An original equipment manufacturer is generally perceived as a company that produces parts and equipment that may be marketed by another manufacturer.
OHSAS = Occupational Health and Safety Assessment Series	OHSAS 18001 (officially BS OHSAS 18001), was a British Standard for occupational health and safety management systems. Compliance with it enabled organizations to demonstrate that they had a system in place for occupational health and safety.
POSH = Prevention of Sexual Harassment	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act of India mandates every organisation to define their anti-sexual harassment policies, prevention systems, procedures and service rules for its employees.
PPAs = Power Purchase Agreement	A power purchase agreement or electricity power agreement is a contract between two parties, one which generates electricity and one which is looking to purchase electricity.
PSAT = Project Satisfaction Survey	A survey to measure a person's perceived satisfaction with a product or service.
PSO = Project Support Office	A temporary or permanent administrative support department of a company that offers a series of development and supervision services to project teams and managers on a daily basis.
PUE = Power Usage Efficiency	A ratio that describes how efficiently a computer data center uses energy.
R&D – Research and Development	Set of innovative activities undertaken in developing new services or products and improving existing ones.
RE=Renewable Energy	Energy which is naturally replenished, available in abundance and reduces Green House Gas emissions.
RFP = Request for Proposal	A request for proposal is a document that solicits proposal, often made through a bidding process, by an agency or company interested in procurement of a commodity, service or asset, to potential suppliers to submit business proposals.
RMC = Risk Management Committee	A committee formed by the Board of Directors to oversee the risk management policy and global risk management framework of the business.
RTA = Registrar & Transfer Agent	An agency which maintains investor's records and look after investor's related activities for the Company.
SASB = Sustainability Accounting Standards Board	A non-profit organisation founded to develop sustainability accounting standards.
SBTs = Science Based Targets	A clearly defined pathway for companies to reduce greenhouse gas emissions, helping prevent the worst impacts of climate change and future proof business growth.
SCM = Supply Chain Management	The management of flow of goods and services between businesses and locations and includes the movement and storage of raw materials, of work-in-process inventory and finished goods as well as end to end order fulfillment from point of origin to point of consumption.
SCoC = Supplier Code of Conduct	Social, ethical and environmental performance of suppliers within the sourcing process, and through Supply Chain Code of Conduct sets minimum standards for all suppliers.
SDG = Sustainable Development Goals	Global Goals are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all".



SEBI = Securities and Exchange Board of India	A regulatory body for monitoring the securities and commodity market in India.
SLA = Service Level Agreement	Agreement between a party that offers some service and users of those service.
Sox = Sulphur Oxides	Compounds of Sulphur and oxygen molecules. It is colorless gas that can be detected by taste and smell.
SPCB = State Pollution Control Board	It is a nodal agency for pollution control in the State.
SPOC = Single Point of Contact	A business term used with the meaning "Single Point of Contact" to refer to a single person or team within a company who are designated as the point of contact for all incoming communications.
SRE = Site Reliability Engineering	It's a set of principles and practices that incorporates aspects of software engineering and applies them to infrastructure and operations problems. The main goals are to create scalable and highly reliable software systems. Highly relevant in Cloud implementation.
STP = Sewage Treatment Plant	A holding area for water to remove contaminants from domestic and municipal wastewater, containing mainly household sewage and some industrial wastewater.
STPi = Software Technology Parks of India	Society established in 1991 by the Indian Ministry of Electronics and Information Technology with the objective of encouraging, promoting, and boosting the export of software from India.
SWOT = Strengths, Weaknesses Opportunities and Threats	SWOT stands for Strengths, Weaknesses, Opportunities, and Threats, and so a SWOT Analysis is a technique for assessing these four aspects of a business.
TCFD = Taskforce on Climate Related Financial Disclosures	Disclosures created to develop consistent climate-related financial risk disclosures for use by companies, banks and investors in providing information to stakeholders.
TERI = The Energy and Resource Institute	The Energy and Resources Institute is a research institute in New Delhi that specializes in the fields of energy, environment and sustainable development.
TMF = Tech Mahindra Foundation	The corporate social responsibility arm of Tech Mahindra Limited, a Section 8 Company.
UNGC = United Nations Global Compact	A strategic initiative that supports global companies that are committed to responsible business practices in the areas of human rights, labour, the environment and corruption.
UNSDGs = United Nations Sustainable Development Goals	A collection of 17 interlinked global goals designed to be a blueprint to achieve a better and a more sustainable future for all.
VLSI = Very Large-Scale Integration	Process of creating an integrated circuit by combining millions of MOS transistors onto a single chip.
VOC = Volatile Organic Compounds	Organic chemicals that have high vapor pressure and low boiling point.
VRV = Multi-Split Type Air Conditioners	Uses a single compressor to power up to five air outlets.
WBCSD = World Business Council for Sustainable Development	A CEO led organization of over 200 leading businesses working together to accelerate the transition to a sustainable world.
WEF = World Economic Forum	The international organization for public-private cooperation.
WFH = Work from Home	Describes work being done remotely, instead of coming to office.
WRI = World Resources Institute	A global research non-profit organization established in 1982. WRI's activities focus on food, forests, water, energy, cities, climate, and ocean.
ZWL = Zero Waste to Landfill	Diversion solution that helps companies achieve and promote their sustainability goals.

Disclaimer: This glossary is intended to help understand commonly used terms and phrases in this report. The explanations are not intended to be technical definitions. If explanations provided here are found to be different from what is described in the Company's periodic financial statements (not limited to Notes to Accounts), then the definition provided in the certified financial statements will prevail.

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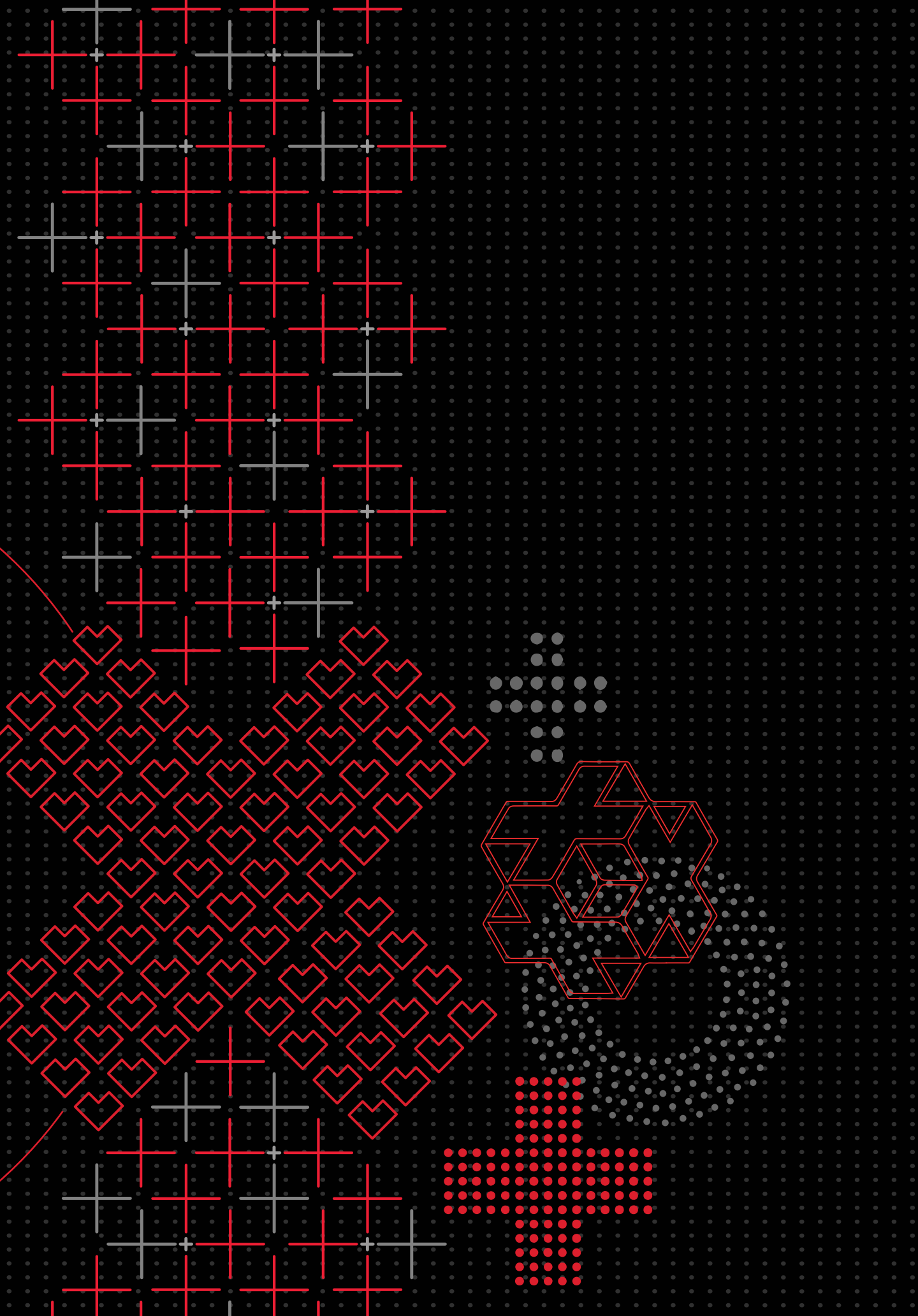
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