

Tech Mahindra Limited (Revised)

July 7, 2021

Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action
Long Term Bank Facilities	275.00 (Reduced from 375.00)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long Term / Short Term Bank Facilities	1,825.00 (Enhanced from 1,425.00)	CARE AAA; Stable / CARE A1+ (Triple A ; Outlook: Stable/ A One Plus)	Reaffirmed
Total Bank Facilities	2,100.00 (Rs. Two Thousand One Hundred Crore Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The reaffirmation of ratings on the long term and short-term bank facilities of Tech Mahindra Limited (TechM) continues to factor in its strong parentage (Mahindra and Mahindra group, M&M) and qualified & experienced management team with demonstrated execution capabilities. The company continues to operate at a significantly large scale supported by its geographically diversified business operations, diversified product and service offerings with strong market position in the global information technology (IT) space, especially IN communication vertical. Its strong business position has led to consistent generation of large cash accruals leading to robust financial and liquidity metrics.

Conventionally, communication vertical has been the major revenue contributor for the company which also leads to customer concentration to some extent. The company's ability to achieve a broad-based growth through further diversification remains to be seen. Furthermore, TechM also continues to face intense competition from other prominent IT players amidst disruptive technology changes, risk associated with cyclicity in end user industries and regulatory challenges in various geographies.

The ratings also factor the performance of subsidiaries. Though, few acquisitions in recent past have been successful, many of the acquisitions are yet to make meaningful contribution and complement TechM's business integration strategies. Further, impact of on-going investigations and legal proceedings in respect of financial irregularities of erstwhile Satyam Computers Services Limited; and any large or sizeable debt funded acquisitions remain key monitorable.

Rating Sensitivities

Negative Factors- Factors that could lead to negative rating action/downgrade:

- Any significant deterioration in the capital structure on account of large debt program leading to overall gearing weakening to 0.5x or more on a sustained basis

Detailed description of the key rating drivers**Key Rating Strengths**

Strong parentage coupled with established track record of the company along with experienced management team: TechM is a part of the Mahindra and Mahindra group, with promoters holding ~36% stake. Over a span of more than three decades, TechM has grown organically and inorganically, adding diverse business verticals, geographies and clientele. The merger of TechM with Mahindra Satyam Limited (MSL) and series of acquisitions led to improvement in overall business risk profile of the company. The management team is led by Mr. C P Gurnani (MD and CEO) who oversees the day to day operations of the company and has more than three decades of experience in the areas of international business development, Joint Ventures, and Mergers & Acquisitions. He is accompanied by a competent and experienced team of professionals with extensive experience in the Information Technology space. Further, the strong board members, who form an integral part of TechM, bring in global business perspective and provide the necessary guidance to the management.

Business risk profile marked with strong domain expertise coupled increasing diversification across verticals, diversified client mix and wide geographical presence: TechM has deep capabilities across verticals – Communication and Enterprise [Manufacturing, Banking, financial services and insurance (BFSI), Technology, Media and Entertainment (TME), Retail, transport and logistics (RTL), healthcare etc.], catering to more than 1000 active clients (with a consistent repeat business of above 90% over the last 5 fiscal years) built on the foundation of strong customer relationships. The customer base is spread across Americas, Europe and rest of the world. The company continues to derive significant share (~40% in FY21) of revenue from the communication vertical which exposes TechM to cyclicity or slowdown in discretionary IT spends by these clients.

Nevertheless, the company has been taking various diversification measures which resulted in gradual decline of concentration in communication vertical from 52% in FY16 to 40% in FY21. TechM continues to benefit from a well-diversified clientele base with Top 5 clients contributing around 21.8%, Top 10 contributing 30.8% of its revenues and Top 20 contributing 43% of revenues for FY21.

Large scale of operations along with improvement operating profitability: TechM continues to remain among the dominant Indian IT players supported by its large workforce of 121,000+ employees with presence in 90 countries. Amidst changing dynamics in COVID impacted fiscal, the company continued to sustain its scale of operations along-with improving its operating profitability.

The company grew its net sales by 2.68% in FY21 to Rs.37,855.10 crore while in dollar and constant currency terms, the net sales declined by modest 1.4% and 2.5%. Overall technology, media & entertainment (TME); banking financial services & insurance (BFSI); and retail, transport & logistics (RTL) verticals grew in FY21 while communications and manufacturing verticals delivered subdued performance. The company secured deals worth total contract value (TCV) of US\$ 2.2 billion (US\$3.7 billion) during FY21 (FY20) with US\$1.275 bn under enterprise segment and US\$935 mn under communications segment. The pace of new deal wins contracted during H1FY21 on account of COVID, however the company won new deal worth US\$ 1 billion in Q4FY21 which is expected to help TechM sustain its scale of operations over the medium term.

PBILDT margin (including other income) improved by 239 bps in FY21 to 19.76% owing largely to operational efficiency, higher utilization, higher offshoring and reduced sub-contracting. Profitability maybe slightly impacted with employee wages hikes, expected increase in attrition rate and reverting to normal utilization levels at about 84-85% over the medium. However the company's focus on further increasing offshoring, reducing subcontracting while focusing on blockchain, artificial intelligence, cloud, etc may be overall margin accretive. Operational performance of various subsidiaries will also be among the key factors impacting operating profitability going forward.

Majority of revenue coming from exports, TechM may face headwinds on account of adverse currency movements in some of the major currencies in which it bills its clients like USD, GBP and EURO against INR. However, the company follows a stated hedging policy which mitigates the risk to a larger extent. Also, payments to overseas employees in respective foreign currencies does provide natural hedge to some extent.

Robust capital structure and strong debt coverage indicators: Net worth of the company continued to be robust at Rs.19785.50 crore as on March 31, 2021 as against Rs.17312.70 crore as on March 31, 2020. Continuous large accretion to reserves consistently over the years on account of substantially large scale of operations and stable operating margins, led to robust network. Debt profile of the company consists largely of working capital borrowings from bank/financial institutions and lease liabilities. It is to be noted that, on a standalone level, TechM is largely a debt free company; with majority of debt detailed above are at consolidated level. Healthy cash flow generation led to limited reliance on external borrowings to fund its working capital requirements, acquisitions as well as capital expenditure programs. Both network and overall gearing are expected to remain robust going forward. Furthermore, the debt coverage metrics also are expected to remain strong over the medium term owing to low reliance on debt.

Key Rating Weaknesses

Regulatory challenges in various geographies, stiff competition from IT majors: Increasing protectionist measures imposed by few economies, changes in immigration laws or any local regulations which further increases the H-1B visa denials can impact the profitability and growth of the company.

Presence in a highly competitive industry leads to factors such as pricing pressure; deal re-negotiations, deferrals, retention of talent etc. which are expected to have a direct bearing on the company's revenue growth and profitability.

Pending investigations and legal proceedings: Impact of on-going investigations and legal proceedings by various regulators and investigating agencies in respect of financial irregularities pertaining to erstwhile Satyam Computers Ltd continues to remain key monitorable. However, the company has already provided for Rs.1,230 crore for contingency. There are contingent payments related to other transactions, which, if materialised, are unlikely to have any material impact on TechM's overall financial risk profile.

Liquidity: Strong

Liquidity is marked by healthy cash accruals against negligible repayment obligations and liquid investments to the tune of Rs.9661.90 crore as on March 31, 2021 along with cash and cash equivalents of Rs.2835.2 crore. TechM generated Cash Flow from Operations of around Rs.8572.60 crore during FY21 supported by improved working capital cycle. Further, unutilized fund-based limits also provide additional liquidity cushion. Financing needs such as acquisitions, general capital expenditure, working capital funding etc. are funded internally with minimal reliance on external debt and is expected to continue in future as well.

Analytical approach: Consolidated

CARE Ratings takes a consolidated view of the parent (TechM) and its subsidiaries owing to significant business, operational and financial linkages between the parent and the subsidiaries. The details of the subsidiaries, associates and joint venture which have been consolidated as on March 31, 2021 are given in **Annexure-3** below

Applicable Criteria

[CARE's Criteria on assigning outlook and credit watch to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[Criteria for Short Term Instruments](#)

[Rating Methodology - Service Sector Companies](#)

[Financial ratios – Non-Financial Sector](#)

[Liquidity Analysis of Non-Financial Sector Entities](#)

[Rating Methodology: Consolidation](#)

[Rating Methodology: Notching by factoring linkages in Ratings](#)

About the Company

TechM is an M&M group company engaged in the business of providing Information Technology-based (IT) solutions to various clients. TechM is USD 5.1 billion the company with 121,000 professionals across 90 countries, helping over 1000 global customers including Fortune 500 companies spread across in America, Europe, and Asia Pacific. The company was incorporated in 1986 as Mahindra British Telecom as a Joint venture between the Mahindra Group and British Telecom. In FY12-13, British Telecom sold its entire stake in the company and is no longer a shareholder / Promoter of the company.

Brief Financials (Rs. crore) – Consolidated	FY20 (A)	FY21 (A)*
Total operating income	37687.40	38643.40
PBILDT@	6545.80	7635.30
PAT#	3897.40	4353.00
Overall gearing (times)^	0.21	0.15
Interest coverage (times)	34.11	43.88

A: Audited; *Abridged financials

@includes other operating income;

#PAT is before minority interest and PAT margin (PAT %) is based on revenue plus other operating income

^net worth adjusted for goodwill

Brief Financials (Rs. crore) – Standalone	FY20 (A)	FY21 (A)*
Total operating income	31454.80	30562.70
PBILDT@	6529.20	6396.00
PAT#	4534.50	4239.10
Overall gearing (times)^	0.02	0.02
Interest coverage (times)	97.89	101.20

A: Audited; *Abridged financials

@includes other operating income;

#PAT is before minority interest and PAT margin (PAT %) is based on revenue plus other operating income

^net worth adjusted for goodwill

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Not Applicable

Complexity level of various instruments rated for this company: Annexure 4

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Non-fund-based - LT/ST-Bank Guarantees	-	-	-	750.00	CARE AAA; Stable / CARE A1+
Fund-based/Non-fund-based-Long Term	-	-	-	275.00	CARE AAA; Stable
Non-fund-based - LT/ST-BG/LC	-	-	-	450.00	CARE AAA; Stable / CARE A1+
Fund-based/Non-fund-based-LT/ST	-	-	-	100.00	CARE AAA; Stable / CARE A1+
Fund-based/Non-fund-based-LT/ST	-	-	-	200.00	CARE AAA; Stable / CARE A1+
Fund-based/Non-fund-based-LT/ST	-	-	-	175.00	CARE AAA; Stable / CARE A1+
Fund-based/Non-fund-based-LT/ST	-	-	-	150.00	CARE AAA; Stable / CARE A1+

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1.	Non-fund-based - LT/ST-Bank Guarantees	LT/ST	750.00	CARE AAA; Stable / CARE A1+	-	1)CARE AAA; Stable / CARE A1+ (07-Jul-20)	1)CARE AAA; Stable (20-Aug-19)	1)CARE AAA; Stable (05-Jul-18)
2.	Fund-based/Non-fund-based-Long Term	LT	275.00	CARE AAA; Stable	-	1)CARE AAA; Stable (07-Jul-20)	1)CARE AAA; Stable (20-Aug-19)	1)CARE A1+ (05-Jul-18)
3.	Non-fund-based - LT/ST-BG/LC	LT/ST	450.00	CARE AAA; Stable / CARE A1+	-	1)CARE AAA; Stable / CARE A1+ (07-Jul-20)	1)CARE AAA; Stable / CARE A1+ (20-Aug-19)	-
4.	Fund-based/Non-fund-based-LT/ST	LT/ST	100.00	CARE AAA; Stable /	-	1)CARE AAA; Stable / CARE A1+	1)CARE AAA; Stable / CARE A1+	-

				CARE A1+		(07-Jul-20)	(20-Aug-19)	
5.	Fund-based/Non-fund-based-LT/ST	LT/ST	200.00	CARE AAA; Stable / CARE A1+	-	1)CARE AAA; Stable / CARE A1+ (07-Jul-20)	1)CARE AAA; Stable / CARE A1+ (20-Aug-19)	-
6.	Fund-based/Non-fund-based-LT/ST	LT/ST	175.00	CARE AAA; Stable / CARE A1+	-	1)CARE AAA; Stable / CARE A1+ (07-Jul-20)	1)CARE AAA; Stable / CARE A1+ (20-Aug-19)	-
7.	Fund-based/Non-fund-based-LT/ST	LT/ST	150.00	CARE AAA; Stable / CARE A1+	-	1)CARE AAA; Stable / CARE A1+ (07-Jul-20)	1)CARE AAA; Stable / CARE A1+ (20-Aug-19)	-

Annexure 3: List of subsidiaries/Associates/Joint Ventures

S No	Name of the entity	Extent of Holding	Category
1	Tech Mahindra (Americas) Inc.,	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
2	Zen3 Infosolutions Private Limited	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
3	Cerium Systems Private Limited	60.24% held by Tech Mahindra Limited	Direct Subsidiary of TML
4	Tech Mahindra GmbH	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
5	Tech Mahindra (Singapore) Pte Limited	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
6	Born Commerce Private Limited	100% held by Tech Mahindra Limited	Direct Subsidiary of TML
7	Tech Mahindra Technology Services LLC	99% held by Tech Mahindra Limited & 1% held by S. Raji Reddy as individual shareholder.	Direct Subsidiary of TML
8	Tech Mahindra (Thailand) Limited	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
9	PT Tech Mahindra Indonesia	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
10	Tech Mahindra ICT Services (Malaysia) SDN. BHD	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
11	Tech Mahindra (Beijing) IT Services Limited	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
12	Tech Mahindra (Nigeria) Limited	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
13	Tech Mahindra (Bahrain) Limited. S.P.C.	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
14	Tech Mahindra Business Services Limited	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
15	Tech Mahindra (Shanghai) Co. Ltd	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
16	Tech Mahindra (Nanjing) Co. Ltd	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
17	Tech Mahindra Technologies, Inc.	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
18	The Bio Agency Ltd	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
19	Tech Mahindra Vietnam Company Limited	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
20	Tech Mahindra DRC SARLU	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
21	NTH Dimension Ltd	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
22	Tech Mahindra Netherlands B.V.	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
23	Tech Mahindra Sweden AB	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
24	Tech Mahindra LLC	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
25	Tech Mahindra Chile SpA	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML

S No	Name of the entity	Extent of Holding	Category
26	Tech Mahindra Spain S.L.	100% Subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
27	Tech Mahindra France	100% Subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
28	Tech Mahindra South Africa (Pty) Limited	51% subsidiary of Tech Mahindra Holdco Pty Limited 49% held by Falcorp Technologies Proprietary Limited	Direct Subsidiary of TML
29	Tech Mahindra Holdco Pty Limited	96% subsidiary of Tech Mahindra Limited 4% held by GMG Corporate Services (Africa) Proprietary Limited, Trustee for Falcorp Technologies Proprietary Limited	Direct Subsidiary of TML
30	Citisoft Plc.,	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
31	Tech Mahindra Servicios De Informatica S.A	99.99% subsidiary of Tech Mahindra Limited 0.01% held by Tech Mahindra De Mexico S.DE R.L.DE C.V	Direct Subsidiary of TML
32	Tech Mahindra De Mexico S.DE R.L.DE C.V	100% subsidiary of Tech Mahindra Limited & Tech Mahindra Servicios De Informatica S.A	Direct Subsidiary of TML
33	Satyam Venture Engineering Services Private Limited	50% held by Tech Mahindra Limited 50% held by Venture Global Engineering LLC	Direct Subsidiary of TML
34	vCustomer Philippines Inc.,	100% subsidiary of Tech Mahindra Limited (wef 29th March, 2016) Earlier 100% subsidiary of New vC Services Private Limited	Direct Subsidiary of TML
35	Mahindra Engineering Services (Europe) Limited	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
36	Perigord Premedia (India) Private Limited	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
37	Perigord Data Solutions (India) Private Limited	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
38	Tech Mahindra Arabia Limited	51% held by Tech Mahindra Limited 49% held by Midad Company Ltd	Direct Subsidiary of TML
39	Dynacommerce Holding B.V.	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
40	Comviva Technologies Limited	99.99% subsidiary of Tech Mahindra Limited 0.01% held by Minority Share holders	Direct Subsidiary of TML
41	Sofgen Holdings Limited	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
42	Tech Mahindra (Switzerland) SA	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
43	LCC Network Services, B.V.	100% subsidiary of Tech Mahindra Limited	Direct Subsidiary of TML
44	PF Holdings B.V.	60% held by Tech Mahindra Limited 40% held by Mahindra & Mahindra Limited	Direct Subsidiary of TML
45	Tech Mahindra Fintech Holdings Limited	93.75% subsidiary of Tech Mahindra Limited. 6.25% held by Employees & ESOP Trust.	Direct Subsidiary of TML
46	Tech Talenta Inc.,	100% subsidiary of Tech Mahindra (Americas) Inc.	Stepdown Subsidiary
47	Objectwise Consulting Group Inc.	100% subsidiary of Tech Mahindra (Americas) Inc.,	Stepdown Subsidiary
48	Mad*Pow Media Solutions, LLC	76.67% held by Tech Mahindra (Americas) Inc.	Stepdown Subsidiary
49	Tech Mahindra Credit Solutions Inc	100% subsidiary of Tech Mahindra (Americas) Inc.,	Stepdown Subsidiary
50	Zen3 Infosolutions (America) Inc.	100% subsidiary of Tech Mahindra (Americas) Inc.	Stepdown Subsidiary

S No	Name of the entity	Extent of Holding	Category
51	Oslo Solutions LLC	100% Subsidiary of Zen3 Infosolutions (America) Inc.	Stepdown Subsidiary
52	Zen3 Infosolutions Inc	100% Subsidiary of Zen3 Infosolutions (America) Inc.	Stepdown Subsidiary
53	Zen3 Information Technologies Limited	100% Subsidiary of Zen3 Infosolutions (America) Inc.	Stepdown Subsidiary
54	Tech Mahindra Cerium Systems Inc	100% subsidiary of Cerium Systems Private Limited	Stepdown Subsidiary
55	Tech Mahindra Cerium Systems SDN. BHD.	100% subsidiary of Cerium Systems Private Limited	Stepdown Subsidiary
56	TechM IT - Services GmbH	100% subsidiary of Tech Mahindra GmbH	Stepdown Subsidiary
57	Tech Mahindra Norway AS	100% subsidiary of Tech Mahindra GmbH	Stepdown Subsidiary
58	Tech Mahindra Luxembourg S.a r.l.	100% subsidiary of Tech Mahindra GmbH	Stepdown Subsidiary
59	Born Group Pte Limited	100% held by Tech Mahindra (Singapore) Pte Limited	Stepdown Subsidiary
60	Group FMG Holdings B.V.	100% held by Born Group Pte Limited	Stepdown Subsidiary
61	Whitefields Holdings Asia Limited	100% held by Born Group Pte Limited	Stepdown Subsidiary
62	Born Japan Kabhushiki Kaisha	100% held by Born Group Pte Limited	Stepdown Subsidiary
63	Born Digital Sdn Bhd	100% held by Born Group Pte Limited	Stepdown Subsidiary
64	Born Creative Commerce Group Inc.	100% held by Born Group Pte Limited	Stepdown Subsidiary
65	Born London Limited	78.28% held by Group FMG Holdings B.V. 21.72% held by Born Group Pte Limited	Stepdown Subsidiary
66	Born Group Inc	64.45% held by Group FMG Holdings B.V. 35.55% held by Born Group Pte Limited	Stepdown Subsidiary
67	Born Group HK Company Limited	100% held by Group FMG Holdings B.V.	Stepdown Subsidiary
68	Tenzing Limited	100% subsidiary of Tech Mahindra (Singapore) Pte Limited	Stepdown Subsidiary
69	Tenzing Australia Limited	100% subsidiary of Tech Mahindra (Singapore) Pte Limited	Stepdown Subsidiary
70	Momenton Pty Ltd	100% subsidiary of Tech Mahindra (Singapore) Pte Limited	Stepdown Subsidiary
71	Citisoft Inc.,	100% subsidiary of Citisoft Plc.,	Stepdown Subsidiary
72	Satyam Venture Engineering Services (Shanghai) Co Limited	100% subsidiary of Satyam Venture Engineering Services Pvt Ltd	Stepdown Subsidiary
73	Satven GmbH	100% subsidiary of Satyam Venture Engineering Services Pvt Ltd.	Stepdown Subsidiary
74	vCustomer Philippines (Cebu), Inc.,	100% subsidiary of vCustomer Philippines Inc.,	Stepdown Subsidiary
75	TC Inter-Informatics a.s.	100% subsidiary of Mahindra Engineering Services (Europe) Limited	Stepdown Subsidiary
76	Tech Mahindra Communications Japan Co., Ltd	100% subsidiary of Mahindra Engineering Services (Europe) Limited	Stepdown Subsidiary
77	Perigord Asset Holdings Limited	70% subsidiary of Mahindra Engineering Services (Europe) Limited	Stepdown Subsidiary
78	Perigord Premedia Limited	100% subsidiary of Perigord Asset Holdings Limited	Stepdown Subsidiary
79	Perigord Data Solutions Limited	100% subsidiary of Perigord Asset Holdings Limited	Stepdown Subsidiary
80	Perigord Premedia USA Inc.	100% subsidiary of Perigord Premedia Limited	Stepdown Subsidiary
81	August Faller Artwork Solutions GmbH	100% subsidiary of Perigord Premedia Limited	Stepdown Subsidiary
82	Dynacommerce B.V.	100% subsidiary of Dynacommerce Holding B.V.	Stepdown Subsidiary

S No	Name of the entity	Extent of Holding	Category
83	Comviva Technologies Nigeria Limited	99.99% subsidiary of Comviva Technologies Limited 0.01% held by Mr. Neeraj Jain	Stepdown Subsidiary
84	Comviva Technologies Singapore Pte. Ltd	100% subsidiary of Comviva Technologies Limited	Stepdown Subsidiary
85	Comviva Technologies FZ-LLC	100% subsidiary of Comviva Technologies Limited	Stepdown Subsidiary
86	Comviva Technologies Madagascar Sarlu	100% subsidiary of Comviva Technologies Limited	Stepdown Subsidiary
87	YABX Technologies (Netherlands) B.V.	100% Subsidiary of Comviva Technologies Limited	Stepdown Subsidiary
88	Yabx India Private Limited	99.9995% by Comviva Technologies Limited 0.0005% by Rajat Dayal	Stepdown Subsidiary
89	Comviva Technologies B.V.	100% subsidiary of Comviva Technologies Limited	Stepdown Subsidiary
90	Comviva Technologies (Australia) Pty Ltd	100% subsidiary of Comviva Technologies B.V.	Stepdown Subsidiary
91	Emagine International Pty Ltd	100% subsidiary of Comviva Technologies (Australia) Pty Ltd	Stepdown Subsidiary
92	Comviva Technologies (Argentina) S.A	99.96% subsidiary of Comviva Technologies B.V. 0.04% held by Comviva Technologies Limited	Stepdown Subsidiary
93	Comviva Technologies do Brasil Industria, Comercio, Importacao e Exportacao Ltda	96.00% subsidiary of Comviva Technologies B.V. 4.00% held by Comviva Technologies Limited	Stepdown Subsidiary
94	Comviva Technologies Colombia S.A.S	100% subsidiary of Comviva Technologies B.V.	Stepdown Subsidiary
95	Comviva Technologies Myanmar Limited	100% held by Comviva Technologies Limited	Stepdown Subsidiary
96	Comviva Technologies USA Inc	100% held by Comviva Technologies Limited	Stepdown Subsidiary
97	Comviva Technologies Cote D'ivoire	100% held by Comviva Technologies Limited	Stepdown Subsidiary
98	Sofgen Africa Limited	100 % subsidiary of Sofgen Holdings Limited	Stepdown Subsidiary
99	Tech Mahindra Products Services Singapore Pte. Limited	100% subsidiary of Sofgen Holdings Limited	Stepdown Subsidiary
100	Lightbridge Communications Corporation	100% subsidiary of Tech Mahindra (Americas) Inc.	Stepdown Subsidiary
101	LCC Middle East FZ-LLC	100% subsidiary of Lightbridge Communications Corporation	Stepdown Subsidiary
102	LCC Muscat LLC	99% subsidiary of Lightbridge Communications Corporation & 1% held by Tech Mahindra Network Services International Inc.	Stepdown Subsidiary
103	Lightbridge Communication Corporation LLC	Equity share is: 51% - Prop-partnership LLC, 49% Lightbridge Communications Corporation The profit sharing is 95:5 to Lightbridge Communications Corporation and Prop-partnership LLC	Stepdown Subsidiary

S No	Name of the entity	Extent of Holding	Category
104	Tech Mahindra Network Services International Inc.,	100% subsidiary of Lightbridge Communications Corporation	Stepdown Subsidiary
105	LCC Central America de Mexico, SA de CV	99.98% subsidiary of Tech Mahindra Network Services International Inc. & 0.02% held by Lightbridge Communications Corporation	Stepdown Subsidiary
106	LCC Telekomunikasyon Servis Limited	69% subsidiary of Tech Mahindra Network Services International Inc 31% held by Wireless Facilities International, Ltd*	Stepdown Subsidiary
107	LCC do Brasil Ltda	100 % subsidiary of Tech Mahindra Network Services International Inc	Stepdown Subsidiary
108	LCC Europe B.V	100% subsidiary of Tech Mahindra Network Services International Inc.	Stepdown Subsidiary
109	LCC France SARL	100% subsidiary of LCC Europe B.V	Stepdown Subsidiary
110	LCC Italia s.r.l.	100% subsidiary of LCC Europe B.V	Stepdown Subsidiary
111	LCC North Central Europe, B.V.	100% subsidiary of LCC Europe B.V	Stepdown Subsidiary
112	LCC Deployment Services UK Limited	100% subsidiary of LCC Europe B.V.	Stepdown Subsidiary
113	LCC Networks Poland Sp.z.o.o	100% subsidiary of LCC Europe B.V	Stepdown Subsidiary
114	LCC Wireless Communications Espana, SA	100% subsidiary of LCC Europe B.V	Stepdown Subsidiary
115	LCC Wireless Communications Services Marox, SARLAU	100% subsidiary of LCC Wireless Communications Espana, SA	Stepdown Subsidiary
116	Tech Mahindra Network Services Belgium	99.85% subsidiary of LCC Europe B.V 0.15% held by LCC United Kingdom Ltd.	Stepdown Subsidiary
117	LCC United Kingdom Limited	100% subsidiary of LCC Europe B.V.	Stepdown Subsidiary
118	LCC Design and Deployment Services Ltd.	99% subsidiary of LCC United Kingdom, Ltd 1% held by LCC Deployment Services UK Ltd	Stepdown Subsidiary
119	LCC Engineering & Deployment Services Misr, Ltd	99% subsidiary of LCC United Kingdom, Ltd & 1% held by LCC Deployment Services UK Ltd.	Stepdown Subsidiary
120	LCC Saudi Arabian Telecom Services Co Ltd	50% held by LCC United Kingdom Ltd 50% held by Tech Mahindra Network Services International Inc	Stepdown Subsidiary
121	LCC Saudi Arabian Telecom Services Co. Ltd/Jordan WLL	100% subsidiary of LCC Saudi Arabian Telecom Services Co Ltd	Stepdown Subsidiary
122	Leadcom Integrated Solutions International B.V.	100% subsidiary of LCC Europe B.V	Stepdown Subsidiary
123	Leadcom Integrated Solutions (L.I.S.) Ltd.	100% subsidiary of Leadcom Integrated Solutions International, B.V.	Stepdown Subsidiary
124	Leadcom Ghana Limited	100% subsidiary of Leadcom Integrated Solutions International, B.V.	Stepdown Subsidiary
125	Leadcom Gabon S.A.	100% subsidiary of Leadcom Integrated Solutions International, B.V.	Stepdown Subsidiary
126	Leadcom Uganda Limited	99.996% held by Leadcom Integrated Solutions International, B.V. & 0.004% held by LCC Europe B.V	Stepdown Subsidiary
127	Leadcom DRC SPRL	99.996% subsidiary of Leadcom Integrated Solutions International B.V. 0.004% held by LCC Europe B.V	Stepdown Subsidiary
128	Leadcom Integrated Solutions Tanzania Ltd.	99% subsidiary of Leadcom Integrated Solutions International, B.V. 1% held by LCC Europe B.V	Stepdown Subsidiary
129	Leadcom Integrated Solutions Rwanda Ltd.	100% subsidiary of Leadcom Integrated Solutions International, B.V.	Stepdown Subsidiary

S No	Name of the entity	Extent of Holding	Category
130	Leadcom Integrated Solutions Tchad SARL	100% subsidiary of Leadcom Integrated Solutions International, B.V.	Stepdown Subsidiary
131	Coniber S.A.	100% subsidiary of Leadcom Integrated Solutions International, B.V.	Stepdown Subsidiary
132	Tech-Mahindra de Peru S.A.C.	99% held by Leadcom Integrated Solutions International, B.V. & 1% held by LCC Europe B.V	Stepdown Subsidiary
133	Tech-Mahindra Guatemala S.A	60% held by Leadcom Integrated Solutions International, B.V. & 40% held by LCC Europe B.V	Stepdown Subsidiary
134	Tech-Mahindra Bolivia S.R.L.	99% held by Leadcom Integrated Solutions International, B.V. 1% held by LCC Europe B.V	Stepdown Subsidiary
135	Tech-Mahindra Ecuador S.A	99.25% held by Leadcom Integrated Solutions International, B.V. 0.75% held by LCC Europe B.V	Stepdown Subsidiary
136	Tech-Mahindra Panama, S.A.	100% subsidiary of Leadcom Integrated Solutions International, B.V.	Stepdown Subsidiary
137	Tech Mahindra Costa Rica Sociedad Anonima	100% subsidiary of Leadcom Integrated Solutions International, B.V.	Stepdown Subsidiary
138	Tech Mahindra Colombia S.A.S	100% subsidiary of Leadcom Integrated Solutions International, B.V.	Stepdown Subsidiary
139	Tech-Mahindra S.A	95% held by Leadcom Integrated Solutions International, B.V. & 5% held by Leadcom EMEA B.V.	Stepdown Subsidiary
140	Leadcom Integrated Solutions Kenya Limited	99% subsidiary of Leadcom Integrated Solutions International, B.V. 1% held by LCC Europe B.V	Stepdown Subsidiary
141	Leadcom Integrated Solutions Myanmar Co., Ltd	100% subsidiary of Leadcom Integrated Solutions International, B.V.	Stepdown Subsidiary
142	Leadcom Integrated Solutions (SPV) SAS	100% subsidiary of Leadcom Integrated Solutions International, B.V.	Stepdown Subsidiary
143	STA Dakar	100% subsidiary of Leadcom Integrated Solutions (SPV) SAS	Stepdown Subsidiary
144	Societe deTelecommunications Africaine (STA) Abidjan	100% subsidiary of Leadcom Integrated Solutions (SPV) SAS	Stepdown Subsidiary
145	Pininfarina S.p.A.	76.15% subsidiary of PF Holdings B.V. 23.85% held by public in Italy	Stepdown Subsidiary
146	Pininfarina of America Corp.	100% subsidiary of Pininfarina S.p.A.	Stepdown Subsidiary
147	Pininfarina Deutschland Holding GmbH	100% subsidiary of Pininfarina Engineering S.R.L	Stepdown Subsidiary
148	Pininfarina Deutschland GmbH	100% subsidiary of Pininfarina Deutschland Holding GmbH	Stepdown Subsidiary
149	Pininfarina Shanghai Co., Ltd	100% subsidiary of Pininfarina S.p.A.	Stepdown Subsidiary
150	Pininfarina Engineering S.R.L	100% subsidiary of Pininfarina S.p.A.	Stepdown Subsidiary
151	Target TG Investments Limited	100% subsidiary of Tech Mahindra Fintech Holdings Limited	Stepdown Subsidiary
152	Target Group Limited	100% subsidiary of Tech Mahindra Fintech Holdings Limited	Stepdown Subsidiary
153	Target Servicing Limited	100% subsidiary of Target Group Limited	Stepdown Subsidiary
154	Target Financial Systems Limited	100% subsidiary of Target Group Limited	Stepdown Subsidiary
155	Elderbridge Limited	100% subsidiary of Target Group Limited	Stepdown Subsidiary
156	Harlosh Limited	100% subsidiary of Target Group Limited	Stepdown Subsidiary
157	Tech Mahindra Healthcare Systems Holdings LLC	100% subsidiary of Tech Mahindra (Americas) Inc.	Stepdown Subsidiary

S No	Name of the entity	Extent of Holding	Category
158	Tech Mahindra Healthcare LLC	100% subsidiary of Tech Mahindra Healthcare Systems Holdings LLC	Stepdown Subsidiary
159	The CJS Solutions Group, LLC	100% subsidiary of Tech Mahindra Healthcare LLC	Stepdown Subsidiary
160	Healthcare Clinical Informatics Ltd	100% subsidiary of The CJS Solutions Group, LLC	Stepdown Subsidiary
161	HCI Group Australia Pty Ltd	100% subsidiary of The CJS Solutions Group, LLC	Stepdown Subsidiary
162	Mahindra Educational Institutions	100% subsidiary of Tech Mahindra Limited	Section 8 Company
163	Tech Mahindra Foundation	100% subsidiary of Tech Mahindra Limited	Section 8 Company
164	Avion Networks, Inc.,	30% held by Tech Mahindra (Americas) Inc & 70% held by Kanchana Raman	Associate
165	SARL Djazatech	49% held by LCC France SARL 10.20% held by Hassan Nait Ibrahim, individually; 10.20% held by Rachid Ait Habib, individually; 30.60% held by Malek Bouteraa, individually;	Associate
166	EURL LCC UK Algeria	100% held by SARL Djazatech	Associate
167	Goodmind S.r.l.	20% held by Pininfarina Spa 60 % held by Mayfund S.A R.L. 20% held by Serviceplan Group Italia S.R.L.	Associate
168	Signature S.r.l.	24% held by Pininfarina Spa; 18% held by Andrea Bettancini; 19% held by Davide Fabi; 19% held by Andrea Tritapepe; 17% held by Mario Tarroni; 3% held by Fabio Malfatto.	Associate
169	Infotek Software And Systems Private Limited	18.09% held by Tech Mahindra Limited 67.11% held by Ashim Ashok Patil 14.80% held by Avantika Ashim Patil	Associate
170	Vitaran Electronics Private Limited	18.09% held by Tech Mahindra Limited 39.41% held by Ashim Ashok Patil 42.50% held by Avantika Ashim Patil	Associate
171	SCTM Engineering Corporation	50% held by Tech Mahindra Limited 50% held by Sumitomo Corporation	Joint Venture

Annexure 4: Complexity level of various instruments rated for this company

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based/Non-fund-based-Long Term	Simple
2.	Fund-based/Non-fund-based-LT/ST	Simple
3.	Non-fund-based - LT/ ST-Bank Guarantees	Simple
4.	Non-fund-based - LT/ ST-BG/LC	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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