

Dividend Distribution Policy

Tech Mahindra Dividend Distribution Policy

The Board of Directors of the Company has adopted the Dividend Distribution Policy with respect to dividend distributed by the Company in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The Dividend Distribution Policy of the Company balances the objectives of rewarding the shareholders through capital return (dividends and/or buyback) and retaining capital to invest in the growth of the Company.

The Board considers the net Profit after Tax (PAT) available for distribution as reported in the consolidated statutory financial statements prepared in accordance with the applicable Accounting Standards.

In addition, the Board reviews the following parameters to arrive at a view

- (i) The current cash balance and Free Cash Flow generation of the company
- (ii) Current and future capital expenditure needs
- (iii) Cash requirements for organic investments
- (iv) Any spend on acquisitions to enhance capability
- (v) The macro economic environment
- (vi) Any changes in the business or technology ecosystem
- (vii) Changes in tax and other regulations
- (viii) Any other factor deemed relevant by the Board

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

Your Company has a track record of steady increases in capital return. The current policy is to distribute cumulative excess cash (defined as free cash flow less investments for acquisitions and internal initiatives) through a combination of dividends and buyback. The Board will decide on the payout for each year depending upon the quantum of excess cash for that year.

The Board may recommend special dividend on occasions of special significance.

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

The Policy will be available on the website of the Company.