

## Tax Policy

### Background

Mahindra Finance is one of the leading NBFC's of India. We are committed to managing the economic, environmental & social impacts to the society at large. This approach extends to all facets of our business, including our indirect value creation. Being a responsible corporate citizen, we are committed to help in progress of all our stakeholders and national building as well.

### Objective

The 'Tax Policy' lays down Mahindra Finance's commitment towards being a responsible corporate citizen. This policy statement lists out our approach towards managing our taxation. The Company's responsible tax strategy consists of ensuring compliance with relevant tax laws and regulations applicable to the company in India and in all the countries that it operates thus avoiding tax risks and inefficiencies in the implementation of business decisions across its business centres world-wide.

### Tax Planning

- 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 adhere to relevant tax law and we seek to minimize the risk of uncertainty or disputes.
- We conduct transactions with our related parties on an arm's-length basis.

### Compliance

The company is committed to comply with the applicable laws and regulations of relevant jurisdictions in which it operates. We are committed to:

- Pay tax which we are legally obliged to pay as and when it becomes payable;
- Comply with relevant tax laws and regulations
- Utilize tax rulings, agreements, clearances, concessions or reliefs which are provided by the government(s);
- Respond to tax enquiries and audits in a transparent and timely manner; and
- Engage with government, tax authorities and regulators in a constructive manner.
- Ensuring that all transfer pricing computations are based on the well accepted 'arm's-length' principle for the many transactions that are effected within the M&M Group across tax jurisdictions.

### Transparency

- Paying taxes at the appropriate times and providing all relevant information requested by the appropriate tax authority without delay in order to accurately establish the company's tax liabilities.
- Providing significant tax-related information and documents that may be requested by the competent tax authorities.

### Accountability

- Having open and transparent tax structures intended for tax optimization.
- Making sure that all decisions are taken at an appropriate level.
- Aligning tax strategy with business and commercial strategy.
- Evaluating tax planning opportunities within clear risk parameters.
- Training personnel with responsibilities for tax matters to ensure that they have the skills, technical expertise and knowledge to effectively fulfill their tax responsibilities.



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