



Registered Office: Tech Mahindra Limited, Gateway Building, Apollo Bunder, Mumbai - 400 001

Revenue for the quarter at Rs.16,314 Mn, up 22% over previous year
Profit from Operations for the quarter at Rs.2,896 Mn, up 89% over previous year

Tech Mahindra Limited
Consolidated Audited Financial Results for the Quarter and Half Year ended September 30th, 2012

Particulars	Quarter ended			Half year ended		Year ended 31st March
	September 30th	June 30th	September 30th	September 30th	September 30th	
	2012	2012	2011	2012	2011	
1 Income from Operations	163140	154342	133329	317482	262577	548969
2 Expenses						
a) Employee benefits expense	83782	75980	73109	159762	138207	286931
b) Travelling Expenses	11113	11404	6796	22517	15766	35478
c) Services rendered by Business Associates & Others	15521	15613	13966	31134	27618	58024
d) Depreciation and amortisation expense	4806	4213	5069	9019	8413	16133
e) Other expenses	18954	18322	19033	37276	36394	76722
Total Expenses	134176	125532	117973	259708	226398	473288
3 Profit from operations before other income, finance costs and exceptional items (1-2)	28964	28810	15356	57774	36179	75681
4 Other Income						
Miscellaneous income	555	686	778	1241	1490	3877
Exchange gain / (loss)	(6953)	(2421)	8933	(9374)	12831	5940
Total	(6398)	(1735)	9711	(8133)	14321	9817
5 Profit before finance costs and exceptional items (3+4)	22566	27075	25067	49641	50500	85498
6 Finance costs						
Interest Cost on Borrowing	1943	1950	1,984	3893	3891	7757
Currency Translation Loss / (Gain) on Foreign Currency Loan	337	453	5223	790	5543	2501
Total	2280	2403	7207	4683	9434	10258
7 Profit after finance costs but before exceptional items and tax (5-6)	20286	24672	17860	44958	41066	75240
8 Exceptional items	-	-	-	-	-	(6787)
9 Profit before tax (7+8)	20286	24672	17860	44958	41066	68453
10 Tax expense	2511	5847	3927	8358	9013	14245
11 Profit after tax but before share of profit / (loss) in Associate and minority interest (9-10)	17775	18825	13933	36600	32053	54208
12 Share of profit/(loss) in Associate						
- Profit after Tax and minority Interest (excluding exceptional items)	11851	15023	10161	26874	19765	51034
- Exceptional items	-	-	-	-	-	4665
13 Profit after tax and share of profit/(loss) in Associate but before minority interest (11+12)	29626	33848	24094	63474	51818	109907
14 Minority Interest	-	-	(51)	-	(125)	(362)
15 Net Profit for the period (13-14)	29626	33848	24043	63474	51693	109545
16 Paid-up Equity Share Capita (Face Value of Share Rs.10)	12764	12755	12719	12764	12719	12749
17 Loan Funds - Listed Debentures	60000	60000	60000	60000	60000	60000
18 Reserves excluding revaluation reserve	-	-	-	-	-	386747
19 Debenture Redemption Reserve	-	-	-	-	-	39895
20 "Earnings Per Share (Rs.):(Not Annualized) (Before exceptional items)"						
- Basic	23.23	26.54	18.98	49.76	40.81	91.60
- Diluted	22.31	25.51	18.22	47.79	39.17	88.05
21 "Earnings Per Share (Rs.): (Not Annualized) (After exceptional items)"						
- Basic	23.23	26.54	18.98	49.76	40.81	86.25
- Diluted	22.31	25.51	18.22	47.79	39.17	82.91
22 Ratios						
- Debt Equity Ratio	-	-	-	0.28	0.41	0.29
- Debt Service Coverage Ratio (DSCR)	-	-	-	0.41	0.31	0.29
- Interest Service Coverage Ratio (ISCR)	-	-	-	12.34	3.84	7.39

Note: Suggested definition for Coverage Ratios:
SCR = Earnings before Interest and Tax / Interest Expense.
DSCR = Earnings before Interest and Tax/ (Interest + Principal Repayment)

See accompanying note to the financial results

PART II : Selected Information for the Quarter an half year ended September 30th, 2012						
Particulars	Quarter ended			Half year ended		Year ended 31st March
	September 30th	June 30th	September 30th	September 30th	September 30th	
	2012	2012	2011	2012	2011	2012
A PARTICULARS OF SHAREHOLDING						
1 Public Shareholding						
- Number of shares	55292764	37268840	36908875	55292764	36908875	37202640
- Percentage of shareholding	43.32%	29.22%	29.02%	43.32%	29.02%	29.18%
2 Promoters and promoter group Shareholding						
a) Pledged/encumbered						
- Number of shares	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
b) Non-encumbered						
- Number of shares	72348417	90283901	90283901	72348417	90283901	90283901
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the company)	56.68%	70.78%	70.98%	56.68%	70.98%	70.82%
B. INVESTORS COMPLAINTS						
Pending at the beginning of the quarter					0	
Received during the quarter					50	
Disposed of during the quarter					50	
Remaining unresolved at the end of the quarter					0	

Stand-Alone Information (Audited)						
Particulars	Quarter ended			Half year ended		Year ended 31st March
	September 30th	June 30th	September 30th	September 30th	September 30th	
	2012	2012	2011	2012	2011	2012
Income from Operations	150787	149500	126727	300287	250163	524302
Profit before exceptional items and tax	17426	21905	14128	39331	34789	64564
Profit before tax	17426	21905	14,128	39331	34789	57777
Profit after tax	16013	16750	10925	32763	27137	46056

Segment wise Revenue, Results and Capital Employed						
Particulars	Quarter ended			Half year ended		Year ended 31st March
	September 30th	June 30th	September 30th	September 30th	September 30th	
	2012	2012	2011	2012	2011	2012
Segment Revenue						
a) Telecom Service Provider	126018	124090	108663	250108	215128	442897
b) Telecom Equipment Manufacturer	10191	10444	8064	20635	16351	35994
c) BPO	22279	15535	12396	37814	24607	53220
d) Others	4652	4273	4206	8925	6491	16858
Total	163140	154342	133329	317482	262577	548969
Less: Inter Segment Revenue	-	-	-	-	-	-
Net Sales / Income from operations	163140	154342	133329	317482	262577	548969
Segment Profit before tax, interest and depreciation						
a) Telecom Service Provider	46412	46443	36814	92855	72893	150144
b) Telecom Equipment Manufacturer	3467	3710	1281	7177	3589	9422
c) BPO	8656	6527	4180	15183	9207	19386
d) Others	1202	844	314	2046	689	2233
Total	59737	57524	42589	117261	86378	181185
Less:						
(i) Finance costs	2280	2403	7207	4683	9434	10258
(ii) Other un-allocable expenditure Net off un-allocable income	37171	30449	17522	67620	35878	95687
Profit before exceptional items and tax	20286	24672	17860	44958	41066	75240
Exceptional items	-	-	-	-	-	(6787)
Profit before tax	20286	24672	17860	44958	41066	68453

Notes :

1. The quarterly results have been reviewed by the Audit Committee and taken on records by the Board of Directors in its meeting held on 5th November 2012.

2. As required by AS 23 "Accounting for Investments in associates in Consolidated Financial Statements", the Company has followed equity method of accounting and results for the quarter and half year ended 30th September 2012 include its share of profit in Satyam Computer Services Limited (SCSL) for the quarter and half year ended 30th September 2012. The auditors of SCSL have qualified their Audit Report under Clause 41 of the listing requirements on Consolidated Financial Results for the half year ended 30th September 2012 expressing their inability to ascertain the impact and the consequential effects, if any, thereof, which are not quantifiable on a number of items, including ongoing investigations and legal proceedings by various regulatory authorities / investigating agencies in respect of financial irregularities under the previous management of SCSL, certain lawsuits (the "Aberdeen(UK) Complaint") filed by certain investors in the United Kingdom and adequacy or otherwise of the provision for taxation pertaining to prior years, etc, on the financial statements of SCSL. Due to the above, the auditors of Tech Mahindra have also qualified their consolidated auditor's report in respect of its cumulative post acquisition share of profit of SCSL, the amount of goodwill in the investment value, investment in SCSL and reserves and surplus in the consolidated financial statements of Tech Mahindra Limited.

3. The Board of Directors of Tech Mahindra Limited in their meeting held on March 21, 2012 have approved the scheme of amalgamation and arrangement (the "Scheme") which provides for the amalgamation of Venturbay Consultants Private Limited (Venturbay), Satyam Computer Services Limited (MSAT), C&S System Technologies Private Limited (C&S), Mahindra Logisoft Business Solutions Limited (Logisoft) and CanvasM Technologies Limited (CanvasM) with Tech Mahindra Limited (TechM) under sections 391 to 394 read with sections 78, 100 to 104 and other applicable provisions of the Companies Act, 1956. The Scheme also provides for the consequent reorganization of the securities premium of TechM. The Appointed date of the Scheme is April 1, 2011.

The Board of Directors of TechM has recommended issue of 2 fully paid up Equity Shares of Rs.10 each of TechM for every 17 fully paid Equity Shares of Rs. 2 each of MSAT. As the other amalgamating companies are wholly owned by the Company / MSAT, no shares would be issued to shareholders of these companies.

TechM has received approval of Competition Commission of India for the said Scheme. The Scheme was approved by the requisite majority of the equity shareholders of TechM and MSAT in the court convened meetings held on 7th June 2012 and 8th June 2012 respectively.

The Honorable Bombay High Court has approved the Scheme of Amalgamation and passed an order to that effect on 28th September 2012. MSAT had filed its Petition on 27th June 2012 with the Honorable High Court of Andhra Pradesh, and the said petition was admitted on 9th July 2012. Since the proposed Scheme is already approved by the Honorable Bombay High Court, it is now subject to the approval of the Honorable High Court of Andhra Pradesh.

Accordingly the effect of the above mentioned scheme is not reflected in these results.

4. On 4th September 2012, the Company acquired 100% stake in Hutchison Global Services Private Limited (HGS) for Rs. 48510 Lakhs, paid up front and hence HGS has become the wholly owned subsidiary of the Company effective 4th September 2012, consequently results for the quarter ended 30th September 2012 include results of HGS from 4th September 2012 till 30th September 2012. HGS provides customer life cycle operations to clients in UK, Ireland and Australia and has an associate base of over 11500 employees

5. The Company, has entered in a Share Purchase Agreement on 17th September 2012 for acquiring 51% stake on a fully diluted basis in Comviva Technologies Limited ("Comviva"), a global leader in providing mobile Value Added Services (VAS), for a consideration not exceeding Rs.26000 Lakhs. The deal is subject to regulatory approvals.

The effect of above mentioned transaction is not reflected in the accounts as regulatory approvals are awaited and consideration has not been paid.

6. The Honorable Supreme Court vide its order dated 2nd February 2012 cancelled 2G licenses issued to Telecom Operators in India in 2008. As a result of the cancellation, the business of Company's two customers has become unviable and one of the customers has started winding up proceedings of the Indian operations. The Company as a matter of abundant precaution has provided dues of Rs. 6787 Lakhs as doubtful debts during the quarter and year ended March 31, 2012.

7. Provision for taxation for the quarter and half year ended 30th September 2012 includes reversal of provision of Rs.2590 Lakhs of earlier years written back, no longer required as the Company has received the refund on finalization of the Assessment.

8. Provision for taxation for the year ended 31st March 2012 includes reversal of provision of Rs.2415 Lakhs of earlier years written back, no longer required as the Company has received the refund on finalization of the Assessment.

9. Previous period figures have been regrouped/rearranged wherever necessary.

10. The standalone financial results have been made available to the Stock Exchanges where the company's securities are listed and are posted on the company's website www.techmahindra.com

Notes for Segmental Information:
Primary Segments
The Primary Segment of the Company is business segment by category of customers in the Telecom Service Provider, Telecom Equipment Manufacturer sectors, Business Process Outsourcing and Others.
Segmental Capital Employed
Segregation of assets, liabilities, depreciation and other non-cash expenses into various primary segments has not been done as the assets are used interchangeably between segments. Accordingly no disclosure relating to Segmental assets and liabilities has been made.

Statement of assets and liabilities (Consolidated - Audited)		
Particulars		
	As at 30th September 2012	As at 31st March 2012
A. EQUITY AND LIABILITIES		
1. Shareholders' Funds		
(a) Share capital	12764	12749
(b) Reserves and surplus	460440	392334
2. Share application money pending for allotment	7	3
3. Non current liabilities		
(a) Long-term borrowing	30000	60000
(b) Other Long-term liabilities	33682	42949
(c) Long-term provision	18585	18863
4. Current liabilities		
(a) Short-term borrowing	68644	52657
(b) Trade payables	44409	36494
(c) Other current liabilities	92586	62418
(d) Short-term provisions	18306	15056
TOTAL - EQUITY AND LIABILITIES	779423	693523
B. ASSETS		
1. Non-current assets		
(a) Fixed assets	86627	84631
(b) Non-current investments	369584	342711
(c) Deferred tax asset	10766	9977
(d) Long-term loans and advances	50021	33842
(e) Goodwill on consolidation	27273	333
2. Current assets		
(a) Current investments	550	16047
(b) Trade receivables	151668	131717
(c) Un-billed revenue	23949	22860
(d) Cash and cash equivalents	35363	24177
(e) Short-term loans and advances	23622	27228
TOTAL - ASSETS	779423	693523

Date : 5th November, 2012
Place : Mumbai

Vineet Nayyar
Executive Vice Chairman