



Revenue for the quarter at Rs. 17,911 Mn, up 24% over previous year
Profit from Operations for the quarter at Rs. 3,258 Mn, up 67% over previous year

Tech Mahindra Limited
Consolidated Audited Financial Results for the Quarter and Nine Months ended December 31st, 2012

Particulars	Rs.In Lakhs					
	Quarter ended			Nine Months ended		Year ended March 31st
	December 31st	September 30th	December 31st	December 31st	December 31st	
2012	2012	2011	2012	2011	2012	
1 Income from Operations	179110	163140	144487	496591	407064	548969
2 Expenses						
a) Employee benefits expense	95946	89092	75611	266274	214280	287808
b) Travelling Expenses	6708	6013	9148	19088	25042	35478
c) Services rendered by Business Associates & Others	15977	15521	15370	47111	42989	58024
d) Depreciation and amortisation expense	5046	4806	3895	14065	12308	16133
e) Other expenses	22851	18744	20932	59696	56736	75845
Total Expenses	146528	134176	124956	406234	351355	473288
3 Profit from operations before other income, finance costs and exceptional items (1-2)	32582	28964	19531	90357	55709	75681
4 Other Income						
Miscellaneous income	1800	555	1037	3041	2526	3877
Exchange gain / (loss)	1210	(6953)	437	(8165)	9404	5940
Total	3010	(6398)	1474	(5124)	11930	9817
5 Profit before finance costs and exceptional items (3+4)	35592	22566	21005	85233	67639	85498
6 Finance costs						
Interest Cost on Borrowing	2399	1943	1940	6293	5830	7757
Currency Translation Loss / (Gain) on Foreign Currency Loan	226	337	1443	1016	3122	2501
Total	2625	2280	3383	7309	8952	10258
7 Profit after finance costs but before exceptional items and tax (5-6)	32967	20286	17622	77924	58687	75240
8 Exceptional items	-	-	-	-	-	(6787)
9 Profit before tax (7+8)	32967	20286	17622	77924	58687	68453
10 Tax expense	8085	2511	2935	16442	11948	14245
11 Profit after tax but before share of profit / (loss) in Associate and minority interest (9-10)	24882	17775	14687	61482	46739	54208
12 Share of profit/(loss) in Associate						
- Profit after Tax and minority Interest (excluding exceptional items)	15947	11851	13153	42822	32918	51034
- Exceptional items	(12537)	-	-	(12537)	-	4665
13 Profit after tax and share of profit/(loss) in Associate but before minority interest (11+12)	28292	29626	27840	91767	79657	109907
14 Minority Interest	(715)	-	(237)	(715)	(362)	(362)
15 Net Profit for the period (13-14)	27577	29626	27603	91052	79295	109545
16 Paid-up Equity Share Capital (Face Value of Share Rs. 10)	12783	12783	12735	12783	12735	12749
17 Loan Funds - Listed Debentures	60000	60000	60000	60000	60000	60000
18 Reserves excluding revaluation reserve	-	-	-	-	-	386747
19 Debenture Redemption Reserve	-	-	-	-	-	398985
20 "Earnings Per Share (Rs.): (Not Annualized) (Before exceptional items)"						
- Basic	21.61	23.23	21.76	71.35	62.50	91.60
- Diluted	20.73	22.31	20.91	68.43	60.07	88.05
21 "Earnings Per Share (Rs.): (Not Annualized) (After exceptional items)"						
- Basic	21.61	23.23	21.76	71.35	62.50	86.25
- Diluted	20.73	22.31	20.91	68.43	60.07	82.91
22 Ratios						
- Debt Equity Ratio	-	-	-	0.28	0.37	0.29
- Debt Service Coverage Ratio (DSCR)	-	-	-	0.43	0.30	0.29
- Interest Service Coverage Ratio (ISCR)	-	-	-	12.36	6.22	7.39

Note: Suggested definition for Coverage
Ratios: ISCR = 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 and nine months ended December 31, 2012						
Particulars	Quarter ended			Nine Months ended		Year ended March 31st
	December 31st	September 30th	December 31st	December 31st	December 31st	
	2012	2012	2011	2012	2011	2012
A PARTICULARS OF SHAREHOLDING						
1 Public Shareholding						
- Number of shares	67091187	55292764	37063660	67091187	37063660	37202640
- Percentage of shareholding	52.49%	43.32%	29.10%	52.49%	29.10%	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	60736978	72348417	90283901	60736978	90283901	90283901
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	47.51%	56.68%	70.90%	47.51%	70.90%	70.82%

Particulars	3 months ended 31-December-2012
B. INVESTORS COMPLAINTS	
Pending at the beginning of the quarter	0
Received during the quarter	7
Disposed of during the quarter	7
Remaining unresolved at the end of the quarter	0

Particulars	Rs.In Lakhs					
	Quarter ended			Nine Months ended		Year ended March 31st
	December 31st	September 30th	December 31st	December 31st	December 31st	
2012	2012	2011	2012	2011	2012	
Income from Operations	150252	150787	138097	450539	388260	524302
Profit before exceptional items and tax	24663	17426	12777	63994	47565	64564
Profit before tax	24663	17426	12777	63994	47565	57777
Profit after tax	18909	16013	10886	51672	38023	46056

Particulars	Rs.In Lakhs					
	Quarter ended			Nine Months ended		Year ended March 31st
	December 31st	September 30th	December 31st	December 31st	December 31st	
2012	2012	2011	2012	2011	2012	
Segment Revenue						
a) Telecom Service Provider	126788	126018	113508	376895	328636	442897
b) Telecom Equipment Manufacturer	10894	10191	10607	31529	26958	35994
c) BPO	35052	22279	13888	72866	38495	53220
d) Others	6376	4652	6484	15301	12975	16858
Total	179110	163140	144487	496591	407064	548969
Less: Inter Segment Revenue	-	-	-	-	-	-
Net Sales / Income from operations	179110	163140	144487	496591	407064	548969
Segment Profit before tax, interest and depreciation						
a) Telecom Service Provider	48715	46412	37438	141570	110331	150144
b) Telecom Equipment Manufacturer	3699	3467	3321	10876	6910	9422
c) BPO	13143	8656	4284	28325	13491	19386
d) Others	1071	1202	836	3120	1525	2233
Total	66628	59737	45879	183891	132257	181185
Less:						
(i) Finance costs	2625	2280	3383	7309	8952	10258
(ii) Other un-allocable expenditure Net of un-allocable income	31036	37171	24874	98658	64618	95687
Profit before exceptional items and tax	32967	20286	17622	77924	58687	75240
Exceptional items	-	-	-	-	-	(6787)
Profit before tax	32967	20286	17622	77924	58687	68453

Notes :

- The quarterly results have been reviewed by the Audit Committee and taken on records by the Board of Directors in its meeting held on 6th February 2013.
- 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 nine months ended 31st December 2012 include its share of profit in Salyam Computer Services Limited (SCSL) for the quarter and nine months ended 31st December 2012. The auditors of SCSL have qualified their Audit Report under Clause 41 of the listing requirements on consolidated financial Results for the quarter and nine months ended 31st December 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, 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 for the quarter and nine months ended 31st December 2012 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.
- 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), Salyam 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 up 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. The merger is effective only on the last of the dates on which the certified copies of the orders of the High Court of Judicature of Bombay and the High Court of Judicature at Andhra Pradesh are filed with the Registrar of Companies (ROC), Mumbai and Pune, Maharashtra and the ROC, Andhra Pradesh, Hyderabad respectively; and as the Approvals of High Court of judicature at Andhra Pradesh is yet to be received, the effect of the merger is not considered in these results.
- 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.
- 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. On 13th December 2012, the Company purchased 6676826 Equity Shares of Rs.10 each and 5492832 Series A 0.001% Fully Convertible non cumulative Preference Shares of Rs.10 each for an up front payment of Rs.12490 Lakhs, Rs.1785 Lakhs payable in April 2014. Effective 13th December 2012, Comviva became the subsidiary of the Company by virtue of management control and consequently results for nine months ended 31st December 2012 includes results of Comviva from 13th December 2012..
- 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.
- Current tax for nine months ended December 31, 2012 includes excess provision of Rs. 2590 Lakhs (quarter and nine months ended December 31, 2011 Rs.1410 Lakhs and Rs.2180 Lakhs respectively) of earlier years written back, no longer required as the Company has received the refund on finalization of the Assessments.
- 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.
- Previous period figures have been regrouped/rearranged wherever necessary.
- 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.