

Tech Mahindra Limited
Audited Financial Results for the Quarter ended June 30th, 2012

PART I Particulars	Rs. In Lakhs			
	Quarter ended			Year ended
	June 30, 2012	March 31, 2012	June 30, 2011	31st March 2012
1 Income from Operations	149,500	136,042	123,436	524,302
2 Expenses				
a) Employee benefits expense	57,460	55,665	52,119	225,368
b) Travelling Expenses	9,214	8,544	7,525	29,658
c) Services rendered by Business Associates & Others	37,364	34,254	28,239	125,276
d) Depreciation and amortization expense	3,702	3,523	3,146	15,053
e) Other expenses	14,272	14,390	13,936	60,912
Total Expenses	122,012	116,376	104,965	456,267
3 Profit from operations before other income, finance costs and exceptional items (1-2)	27,488	19,666	18,471	68,035
4 Other Income				
Miscellaneous income	582	1,167	621	3,048
Exchange gain / (loss)	(3,763)	(2,533)	3,802	3,725
Total	(3,181)	(1,366)	4,423	6,773
5 Profit before finance costs and exceptional items (3+4)	24,307	18,300	22,894	74,808
6 Finance costs				
Interest cost on borrowing	1,950	1,918	1,906	7,743
Currency translation loss / (gain) on Foreign Currency Loan	452	(622)	320	2,501
Total	2,402	1,296	2,226	10,244
7 Profit after finance costs but before exceptional items and tax (5-6)	21,905	17,004	20,668	64,564
8 Exceptional items	-	(6,787)	-	(6,787)
9 Profit before tax (7+8)	21,905	10,217	20,668	57,777
10 Tax expense	5,155	2,185	4,449	11,721
11 Net Profit after tax (9-10)	16,750	8,032	16,219	46,056
12 Paid-up Equity Share Capital (Face Value of Share Rs. 10)	12,755	12,749	12,699	12,749
13 Loan Funds - Listed Debentures	60,000	60,000	60,000	60,000
14 Reserves excluding revaluation reserve	-	-	-	327,031
15 Debenture Redemption Reserve	-	-	-	39,895
16 Earnings Per Share (Rs.): (Not Annualized) (Before exceptional Items)				
- Basic	13.14	11.67	12.84	41.61
- Diluted	12.63	11.22	12.29	40.00
17 Earnings Per Share (Rs.): (Not Annualized) (After exceptional Items)				
- Basic	13.14	6.32	12.84	36.27
- Diluted	12.63	6.08	12.29	34.86
18 Ratios				
- Debt Equity Ratio	-	-	-	0.34
- Debt Service Coverage Ratio (DSCR)	-	-	-	0.26
- Interest Service Coverage Ratio (ISCR)	-	-	-	6.65

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 ended June 30, 2012 Particulars	Quarter ended			Year ended
	June 30, 2012	March 31, 2012	June 30, 2011	31st March 2012
	A. PARTICULARS OF SHAREHOLDING			
1. Public Shareholding -				
- Number of shares	37,268,840	37,202,640	36,703,840	37,202,640
- Percentage of shareholding	29.22%	29.18%	28.90%	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	90,283,901	90,283,901	90,283,901	90,283,901
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	70.78%	70.82%	71.10%	70.82%

Particulars	3 months ended 30-June-2012
B. INVESTORS COMPLAINTS	
Pending at the beginning of the quarter	0
Received during the quarter	25
Disposed of during the quarter	25
Remaining unresolved at the end of the quarter	0

PART III : Segment wise Revenue, Results and Capital Employed Particulars	Rs. In Lakhs			
	Quarter ended			Year ended
	June 30, 2012	March 31, 2012	June 30, 2011	31st March 2012
Segment Revenue				
a) Telecom Service Provider	120,859	111,448	102,627	427,526
b) Telecom Equipment Manufacturer	10,378	8,630	7,440	33,417
c) BPO	14,620	12,311	11,316	48,070
d) Others	3,643	3,853	2,053	15,289
Total	149,500	136,042	123,436	524,302
Less: Inter Segment Revenue	-	-	-	-
Net Sales / Income from operations	149,500	136,042	123,436	524,302
Segment Profit before tax, interest and depreciation				
a) Telecom Service Provider	41,785	35,998	31,805	132,521
b) Telecom Equipment Manufacturer	3,312	2,057	1,724	7,836
c) BPO	6,687	4,318	5,076	18,123
d) Others	211	574	264	1,395
Total	51,995	42,947	38,869	159,875
Less:				
(i) Finance costs	2,402	1,296	2,226	10,244
(ii) Other un-allocable expenditure Net off un-allocable income	27,688	24,647	15,975	85,067
Profit before exceptional items and tax	21,905	17,004	20,668	64,564
Exceptional items	-	(6,787)	-	(6,787)
Profit before tax	21,905	10,217	20,668	57,777

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 9th August 2012. There is no qualification in the Auditors' reports for these periods.

2. 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.

The Bombay Stock Exchange and the National Stock Exchange have conveyed to the Company, their no-objection under Clause 24(f) of the Listing Agreement to the said Scheme. TechM has also 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. A separate Special Resolution was also passed at the above mentioned meeting of the equity shareholders of TechM held on 7th June 2012, whereat the requisite majority of the equity shareholders approved the reduction of its securities premium account.

Thereafter, TechM, Venturbay, C&S, Logisoft and CanvasM had filed Petitions on 25th June 2012 respectively with the Hon'ble Bombay High Court seeking approval of the proposed Scheme. The Petitions have been admitted by the Hon'ble Bombay High Court on 20th July 2012 and the said Petitions have been fixed for final hearing and disposal before the Hon'ble Bombay High Court on 24th August 2012. Similarly, MSAT had filed its Petition on 27th June 2012 with the Hon'ble High Court of Andhra Pradesh, and the said petition was admitted on 9th July 2012 and has been fixed for hearing before the Hon'ble High Court of Andhra Pradesh on 14th August 2012.

The proposed Scheme is subject to the approvals of the Hon'ble Bombay High Court, Hon'ble High Court of Andhra Pradesh and other authorities. Accordingly the effect of the above mentioned scheme is not reflected in these accounts.

3. The Hon'ble 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.

4. Provision for taxation for the year ended 31st March 2012 includes reversal of excess 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.

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

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.