

**Tech Mahindra Limited**  
**Audited Financial Results for the Quarter and half year ended September 30th, 2012**

PART I	Particulars	Rs. in Lakhs						Particulars	3 months ended 30-September-2012
		Quarter ended			Half year ended				
		September 30, 2012	June 30, 2012	September 30, 2011	September 30, 2012	September 30, 2011	Year ended 31st March 2012		
1	Income from Operations	150,787	149,500	126,727	300,287	250,163	524,302		
2	Expenses								
	a) Employee benefits expense	59,261	57,460	58,656	116,721	110,776	225,368		
	b) Travelling Expenses	9,776	9,214	5,666	18,990	13,194	29,658		
	c) Services rendered by Business Associates & Others	37,451	37,364	29,210	74,815	57,449	125,276		
	d) Depreciation and amortization expense	4,138	3,762	4,750	7,840	7,896	15,053		
	e) Other expenses	14,887	14,272	15,269	29,159	29,208	60,912		
	<b>Total Expenses</b>	<b>125,513</b>	<b>122,012</b>	<b>113,551</b>	<b>247,525</b>	<b>218,523</b>	<b>456,267</b>		
3	Profit from operations before other income, finance costs and exceptional items (1-2)	25,274	27,488	13,176	52,762	31,640	68,035		
4	Other Income								
	Miscellaneous income	401	582	707	983	1,328	3,048		
	Exchange gain / (loss)	(5,947)	(3,763)	7,452	(9,710)	11,254	3,725		
	<b>Total</b>	<b>(5,546)</b>	<b>(3,181)</b>	<b>8,159</b>	<b>(6,727)</b>	<b>12,582</b>	<b>6,773</b>		
5	Profit before finance costs and exceptional items (3+4)	19,728	24,307	21,335	44,035	44,222	74,808		
6	Finance costs								
	Interest cost on borrowing	1,964	1,950	1,984	3,914	3,890	7,743		
	Currency translation loss / (gain) on Foreign Currency Loan	338	452	5,223	790	5,543	2,501		
	<b>Total</b>	<b>2,302</b>	<b>2,402</b>	<b>7,207</b>	<b>4,704</b>	<b>9,433</b>	<b>10,244</b>		
7	Profit after finance costs but before exceptional items and tax (5-6)	17,426	21,905	14,128	39,331	34,789	64,564		
8	Exceptional items	-	-	-	-	-	(6,787)		
9	Profit before tax (7+8)	17,426	21,905	14,128	39,331	34,789	57,777		
10	Tax expense	1,413	5,155	3,203	6,568	7,652	11,721		
11	Net Profit after tax (9-10)	16,013	16,750	10,925	32,763	27,137	46,056		
12	Paid-up Equity Share Capital (Face Value of Share Rs. 10)	12,764	12,755	12,719	12,764	12,719	12,749		
13	Loan Funds - Listed Debentures	60,000	60,000	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	12.56	13.14	8.62	25.69	21.42	41.61		
	- Diluted	12.06	12.63	8.27	24.67	20.56	40.00		
17	Earnings Per Share (Rs.): (Not Annualized) (After exceptional items)								
	- Basic	12.56	13.14	8.62	25.69	21.42	36.27		
	- Diluted	12.06	12.63	8.27	24.67	20.56	34.86		
18	Ratios								
	- Debt Equity Ratio	-	-	-	0.39	0.43	0.34		
	- Debt Service Coverage Ratio (DSCR)	-	-	-	0.38	0.27	0.26		
	- Interest Service Coverage Ratio (ISCR)	-	-	-	11.22	3.35	6.65		

**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

**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. 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 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.

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.

3. On 4th September 2012, the Company acquired 100% stake in Hutchison Global Services Private Limited (HGS) for Rs. 485.10 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 lifecycle operations to clients in UK, Ireland and Australia and has an associate base of over 11500 employees.

4. The Company, has entered in a Share Purchase Agreement on 17th September 2012 for acquiring 51% stake on a fully diluted basis in Convivia Technologies Limited ("Convivia"), 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 abovementioned transaction is not reflected in the accounts as regulatory approvals are awaited and consideration has not been paid.

5. 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.

6. 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.

7. 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.

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

Particulars	As at 30th September 2012	As at 31st March 2012
	<b>A. EQUITY AND LIABILITIES</b>	
<b>1. Shareholders' Funds</b>		
(a) Share capital	12,764	12,749
(b) Reserves and surplus	368,971	331,573
<b>2. Share application money pending for allotment</b>	-	-
<b>3. Non current liabilities</b>	-	-
(a) Long-term borrowings	30,000	60,000
(b) Other Long-term liabilities	33,831	43,099
(c) Long-term provisions	15,202	17,061
<b>4. Current Liabilities</b>	-	-
(a) Short-term borrowings	80,645	52,657
(b) Trade payables	49,024	46,835
(c) Other current liabilities	85,195	58,309
(d) Short-term provisions	10,431	13,875
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>686,070</b>	<b>636,161</b>
<b>B. ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Fixed assets	78,533	81,538
(b) Non-current investments	362,064	313,318
(c) Deferred tax asset	8,569	8,194
(d) Long-term loans and advances	47,108	33,411
<b>1. Current assets</b>		
(a) Current investments	-	12,032
(b) Trade receivables	139,805	124,307
(c) Unbilled revenue	20,934	22,003
(d) Cash and cash equivalents	10,372	13,885
(e) Short-term loans and advances	18,685	27,473
<b>TOTAL - ASSETS</b>	<b>686,070</b>	<b>636,161</b>

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 half year ended September 30, 2012	Particulars	Rs. in Lakhs					
		Quarter ended			Half year ended		
		September 30, 2012	June 30, 2012	September 30, 2011	September 30, 2012	September 30, 2011	Year ended 31st March 2012
<b>A. PARTICULARS OF SHAREHOLDING</b>							
1	Public Shareholding	55,292,764	37,268,840	36,908,875	55,292,764	36,908,875	37,202,640
	- Number of shares	43.32%	29.22%	29.02%	43.32%	29.02%	29.18%
	- Percentage of shareholding						
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	72,348,417	90,283,901	90,283,901	72,348,417	90,283,901	90,283,901
	- 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)	56.68%	70.78%	70.98%	56.68%	70.98%	70.82%