

PRESS RELEASE

Tech Mahindra Q2'24 Revenue Rs 12,864 crores
Interim Dividend Rs 12 per share

Mumbai – October 25th, 2023: [Tech Mahindra](#) Ltd., a specialist in digital transformation, consulting and business re-engineering services today announced the audited consolidated financial results for its quarter ended September 30th, 2023.

Financial highlights for the quarter (USD)

- Revenue at USD 1,555 mn; down 2.8% QoQ, down 5.1% YoY
 - Revenue declined by 2.4% QoQ in constant currency terms
- EBITDA at USD 129 mn; down 20.5% QoQ, down 47.3% YoY; Margin at 8.3%, down 180 bps QoQ
- Profit after tax (PAT) at USD 59 mn; down 29.3% QoQ, down 62.5% YoY
- Free cash flow at \$ 213 mn

Financial highlights for the quarter (₹)

- Revenue at ₹ 12,864 crores; down 2.2% QoQ, down 2.0% YoY
- EBITDA at ₹ 1,072 crores; down 19.9% QoQ, down 46.0% YoY
- Consolidated PAT at ₹ 494 crores; down 28.7% QoQ, down 61.6% YoY
- Earnings per share (EPS) at ₹ 5.6
- The Board approved interim dividend of Rs. 12 per share

Other Highlights

- Total headcount at 150,604 up 2,307 QoQ
- Cash and Cash Equivalent at INR 6,515 cr as of September 30, 2023



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CP Gurnani, Managing Director & Chief Executive Officer, Tech Mahindra, said,

"The year is being characterized by a challenging demand environment and prolonged macro uncertainties calling for a very tactical approach. We have doubled down our strategy of working closely with clients, helping them to streamline and modernize operations as they reprioritize their resources."

Rohit Anand, Chief Financial Officer, Tech Mahindra, said,

"We have taken actions to reduce the exposure to non-core areas of business. These actions will, over time, help us improve our financial performance and enable long term sustainable growth. A consistent dividend payout reinforces our commitment towards creating value for our shareholders."

**Key Wins**

- Tech Mahindra was selected by one of the largest US-based global e-commerce giants to modernize their customer experience services in APAC and Europe.
- Tech Mahindra was selected by a leading EU-based Fintech to accelerate banking client's digital transformation journey. Tech Mahindra's global presence and expertise in product implementation, digitalization, infrastructure, and operations will help banks digitally revitalize their business processes while reducing cost overheads.
- Tech Mahindra was selected by one of the largest consumer healthcare companies in the world to be their global IT operations and transformation partner.
- Tech Mahindra was selected by a large US-based telco operator as a Partner of Choice for their offshore operations. The deal encompasses a range of services, including both inbound and outbound activities for Account Services and Fiber/Copper Technical Support Operations.
- Tech Mahindra was selected as the Partner to Transform the OSS stack for an EU-based telco. The solution consists of the entire suite of products from the ServiceNow Stable, including the latest called TNJ (Telekom Network Inventory) & GIS solutions from IQGEO, marking the beginning of a very large transformation program.



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- Tech Mahindra announced a strategic deal win with one of the largest banks in India to implement a revamped and upgraded Customer Relationship Management (CRM) ecosystem in the bank and a few of its subsidiaries. Tech Mahindra will be responsible for the end-to-end upgrade, implementation of the hardware and software solutions, along with operational support.
- Tech Mahindra won a Mainframe as a Service (MFaaS) deal from a large US-based truckload freight carrier. Tech Mahindra will support the critical Transportation Management System, with the hosting being handled by one of our trusted partners.

Business Highlights

- Tech Mahindra announced the appointment of Atul Soneja as the Chief Operating Officer (COO) effective 7th August 2023. With over 28 years of experience as a technology executive, Atul is a proven leader known for deep strategic expertise, building a culture of success, and driving business transformation through focused execution in challenging and competitive markets. Prior to this, Atul served as the COO at CitiusTech where he was responsible for managing the overall Delivery, Service lines and Operations for CitiusTech. Before joining CitiusTech, Atul held several leadership roles in Infosys and its subsidiaries, conceptualizing and driving several strategic programs throughout his tenure.
- Tech Mahindra inaugurated a local innovation centre in Espoo, Finland. The new centre will accommodate a diverse workforce increasing the in-country headcount in collaboration with the local ecosystem. Further to the commitment in 2022 to set up a Makers Lab, the newly opened centre will also facilitate innovation in collaboration with new and existing customers in the region. The Makers Lab will also plug into the local startup ecosystem and universities to provide new opportunities in R&D across industries.
- Tech Mahindra announced a strategic partnership with Surance.io, an innovative personal cyber insurance platform. The partnership aims to protect insurance customers by providing multilingual round-the-clock expert support, best-in-class call centre services, advanced AI-based threat detection tools, and customised guidance to prevent cyber-attacks.
- Tech Mahindra announced the launch of 'Ops amplifAler' solution under TechM amplifAI0->∞ suite of AI offerings. The solution will amplify the productivity of support engineers by providing a single pane integrated view with all the contextual information and tools to resolve issues. It will also enable team collaboration and generative AI assistance capabilities, making the processes future proofed.
- Tech Mahindra announced a partnership with Google to launch Generative AI Powered Email amplifAler under Tech Mahindra's TechM amplifAI0->∞ suite of AI offerings. The Email amplifAler will serve as a one stop solution to manage all email communication of contact center for enhanced customer service, by bringing the power of generative AI to provide unified visualization and automation technique, providing end-to-end solutions for email automation and personalized



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responses by identifying the intents, extracting the required entities from the email, and other systems including applications such as CRM, Finance.

- Tech Mahindra has partnered with IFS, the global cloud enterprise software company. As part of this partnership, Tech Mahindra will be the exclusive distributor of IFS technology in India, including the IFS Cloud platform which delivers intelligence and automation across Field Service Management, Enterprise Resource Planning (ERP) and Enterprise Asset Management (EAM).
- Tech Mahindra announced a partnership with Anyverse, a hyperspectral synthetic data generation platform that accelerates the development of computer vision-based solutions for autonomous applications. As part of the partnership, Tech Mahindra will use Anyverse's platform to provide synthetic data sets to train, validate, and fine-tune its global automotive customers' AI systems. The partnership will focus on advanced driver assistance systems (ADAS), in-cabin systems, and autonomous vehicle (AV) applications.

Awards and Recognitions

- Tech Mahindra was ranked #1 amongst the top 25 IT companies in the country at the Business World Sustainability Conclave
- Tech Mahindra was ranked as the only Indian Company in the top 100 Sustainable companies listed in Sustainability Magazine
- Tech Mahindra recognized by VARINDIA amongst the "Most Trusted Companies of India" at VARINDIA Infotech Forum 2023
- Tech Mahindra recognized by The Economic Times Edge amongst the "Best Organizations for Employee Excellence 2023"
- Tech Mahindra recognized by The Economic Times amongst the "Best Tech Brands" for 2023
- Tech Mahindra recognized by Team Marksmen amongst the "Most Innovative Companies"
- Tech Mahindra recognized at the NASSCOM Quarterly Spotlight Awards in two categories - Product and Process Innovation
 - 'Ideation to Engineering Leadership' category: Industry First Innovation – Smart Mixer
 - 'Ideation to Engineering Leadership' category: Company First Innovation – AI enabled automation of Paint Quality Inspection for Body In White (BIW)
- Tech Mahindra won the "DEI Champion Award for Enterprises" trophy at the Bombay Chamber DEI Awards 2023
- Tech Mahindra won 10 Gold Awards for DEI, talent acquisition, talent management, human resources, L&D and future of work at the Brandon Hall Group HCM Excellence Awards™ 2023



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Analyst Ratings & Recognitions

- Tech Mahindra recognized as a Leader in Data Management & Cloud and Next Gen IT/ OT Services for North America Region by ISG Lens Study 2023.
- Tech Mahindra recognized as a Leader in Quadrant's SPARK Matrix Digital Banking Services 2023.
- Tech Mahindra recognized as a Leader in Avasant's Applied AI Services 2023 RadarView™
- Tech Mahindra recognized as a Leader in Supply Chain Transformation Services for Retail and CPG PEAK Matrix Assessment 2023.
- Tech Mahindra recognized as a Leader in Global Retail Banking Category as the Best Digital Lending Solution by The Digital Banker.
- Tech Mahindra's XDS recognized as a Global Leader in Digital Operations in the 'Customer Experience Services 2023' ISG Provider Lens™ Study in Australia, Europe, U.S.
- Tech Mahindra's XDS recognized as a Leader in Social Media CX Services in the 'Customer Experience Services 2023' ISG Provider Lens™ Study in Australia, Europe, U.S and Globally.
- Tech Mahindra's XDS recognized as a Leader in Customer Experience Services 2023 under Intelligent CX (AI & Analytics) category for Europe region.
- Tech Mahindra's BPS recognized as a Leader in Nelson Hall's Content Transformation NEAT under two different categories - Cost Optimization Capability & Revenue Generation Capability.
- Tech Mahindra's BPS recognized as a Leader by ISG in Future of Work (workplace) under Services 2023 - U.S. Public Sector for Employee Experience (EX) Transformation Services.
- Tech Mahindra's recognized as leader by ISG for its Next-Gen ADM Services 2023 under Application Managed Services category for Brazil, U.S geographies.
- Tech Mahindra's SCM capabilities recognized as a Leader by ISG in Supply Chain Services 2023 under Supply Chain IT Operation Services category for Brazil, U.S geographies.
- Tech Mahindra's Cloud capabilities recognized as a Leader in AWS Ecosystem Partners 2023 in U.S. under three categories - AWS Consulting Services, AWS Migration Services & AWS Managed Services.
- Tech Mahindra's Cloud/D&A/ML capabilities positioned as "Leader" in AWS Ecosystem Partners 2023 - U.S. under AWS Data Analytics and Machine Learning category.
- Tech Mahindra's SCM/RCG/IT capabilities was recognized as a Leader by Everest in Supply Chain IT Transformation Services for Retail and CPG PEAK Matrix® Assessment 2023
- Tech Mahindra's D&A capabilities was recognized as a Leader by Avasant in Data Management and Advanced Analytics Services 2023
- Tech Mahindra's BPS services was recognized as a Leader by ISG in Future of Work (workplace) – Services 2023 - U.S. Public Sector - Employee Experience (EX) Transformation Services



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About Tech Mahindra

Tech Mahindra offers innovative and customer-centric digital experiences, enabling enterprises, associates, and society to Rise for a more equal world, future readiness, and value creation. It is a USD 6.5+ billion organization with 148,000+ professionals across 90 countries helping 1250+ global customers, including Fortune 500 companies. It is focused on leveraging next-generation technologies including 5G, Metaverse, Blockchain, Quantum Computing, Cybersecurity, Artificial Intelligence, and more, to enable end-to-end digital transformation for global customers. It is the only Indian company in the world to receive the HRH The Prince of Wales' Terra Carta Seal for its commitment to creating a sustainable future. It is the fastest growing brand globally in 'brand value rank' and among the top 7 IT brands globally in brand strength with AA+ rating. With its NXT.NOW™ framework, Tech Mahindra aims to enhance 'Human Centric Experience' for its ecosystem and drive collaborative disruption with synergies arising from a robust portfolio of companies. It aims at delivering tomorrow's experiences today and believes that the 'Future is Now'.

Tech Mahindra is part of the Mahindra Group, founded in 1945, one of the largest and most admired multinational federation of companies with 260,000 employees in over 100 countries. It enjoys a leadership position in farm equipment, utility vehicles, information technology, and financial services in India and is the world's largest tractor company by volume. It has a strong presence in renewable energy, agriculture, logistics, hospitality, and real estate. The Mahindra Group has a clear focus on leading ESG globally, enabling rural prosperity and enhancing urban living, with a goal to drive positive change in the lives of communities and stakeholders to enable them to Rise.

Connect with us on www.techmahindra.com

Our Social Media Channels
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Disclaimer

Certain statements in this release concerning the future prospects of Tech Mahindra Limited ("the Company" or "TechM") are forward-looking statements. These statements by their nature involve risks and uncertainties that could cause Company's actual results differ materially from such forward-looking statements. The Company, from time to time, makes written and oral forward-looking statements based on information available with the management of the Company and the Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.



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Consolidated financial for the second quarter ended September 30, 2023 drawn under Ind AS

P&L in INR Mn	Q2 FY24	Q1 FY24	Q2 FY23
Revenue	128,639	131,590	131,295
Cost of Services	99,752	97,805	94,614
Gross Profit	28,887	33,785	36,681
SG&A	18,164	20,405	16,840
EBITDA	10,723	13,380	19,841
Other Income	2,642	1,917	2,902
Interest Expense	975	1,197	790
Depreciation & Amortization	4,657	4,466	4,917
Impairment of Goodwill and non current assets	1,495	-	244
Share of profit / (loss) from associate	(85)	78	(153)
Profit before Tax	6,153	9,712	16,639
Provision for taxes	1,100	2,676	3,647
Minority Interest	114	111	138
Profit after Tax	4,939	6,925	12,854
EPS (₹ / share)			
Basic	5.6	7.8	14.6
Diluted	5.6	7.8	14.5

