

Tech Mahindra Limited

Registered Office : Gateway Building, Apollo Bunder, Mumbai 400 001. Website : www.techmahindra.com
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Audited Consolidated Interim Financial Results for the quarter and nine months period ended December 31, 2025

(Rs. in Million except earnings per share)

	Particulars	Quarter ended			Nine months period ended		Year ended
		December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	December 31, 2024	March 31, 2025
1	Revenue from Operations	143,932	139,949	132,856	417,393	396,043	529,883
2	Other Income*	(217)	400	165	2,366	6,827	8,554
3	Total Income (1 + 2)	143,715	140,349	133,021	419,759	402,870	538,437
4	Expenses						
	Employee Benefits Expense	75,637	76,291	74,246	226,917	222,615	296,238
	Subcontracting Expense	15,416	14,436	14,585	42,960	44,838	58,377
	Finance Costs	936	772	759	2,486	2,364	3,217
	Depreciation and Amortisation Expense	4,737	4,687	4,588	14,005	13,908	18,529
	Other Expenses	29,223	27,542	25,935	82,828	77,353	105,357
	Impairment of Goodwill and non-current assets	-	-	-	-	-	273
	Total Expenses	125,949	123,728	120,113	369,196	361,078	481,991
5	Profit before share in profit/(loss) of associates/ joint ventures, exceptional items and tax (3-4)	17,766	16,621	12,908	50,563	41,792	56,446
6	Share in Profit / (Loss) of Associates / Joint Ventures	9	(28)	66	(14)	98	86
7	Profit before Exceptional Item and Tax (5 + 6)	17,775	16,593	12,974	50,549	41,890	56,532
8	Exceptional Item (Refer Note 4)	2,724	-	-	2,724	-	-
9	Profit before Tax (7 - 8)	15,051	16,593	12,974	47,825	41,890	56,532
10	Tax Expense						
	Current Tax	4,820	5,356	4,100	15,492	14,004	18,996
	Deferred Tax	(955)	(780)	(1,014)	(2,158)	(3,225)	(4,994)
	Total Tax Expense	3,865	4,576	3,086	13,334	10,779	14,002
11	Profit after tax (9 - 10)	11,186	12,017	9,888	34,491	31,111	42,530
	Profit/ (Loss) for the period attributable to:						
	Owners of the Company	11,220	11,945	9,832	34,571	30,848	42,515
	Non Controlling Interests	(34)	72	56	(80)	263	15
12	Other Comprehensive Income						
A.	I. Items that will not be reclassified to Profit or Loss						
	-Remeasurements of the Defined Benefit Liabilities Gain/(Loss)	-	4	110	(169)	(40)	(137)
	II. Income Tax relating to items that will not be reclassified to Profit or Loss		(1)	(28)	42	9	33
B.	I. Items that will be reclassified to Profit or Loss						
	(a) Exchange differences in translating the Financial Statements of Foreign Operations - Gain / (Loss) (net)	1,720	1,576	(1,181)	8,944	2,104	3,399
	(b) Effective portion of Gain / (Loss) on Designated Portion of Hedging Instruments in a Cash Flow Hedge (net)	420	(2,317)	(122)	(2,935)	(2,072)	(1,116)
	II. Income Tax relating to items that will be reclassified to Profit or Loss		(105)	583	16	739	473
	Total Other Comprehensive Income/ (Loss) (A+B)	2,038	(76)	(1,414)	6,717	401	2,461
13	Total Comprehensive Income (11 + 12)	13,224	11,941	8,474	41,208	31,512	44,991
	Total Comprehensive Income for the period attributable to:						
	Owners of the Company	13,207	11,815	8,464	41,068	31,233	44,926
	Non Controlling Interests	17	126	10	140	279	65
14	Paid-up Equity Share Capital (Face Value of Share Rs. 5)		4,428	4,427	4,423	4,428	4,424
15	Total Reserves						269,191
16	Earnings Per Equity Share Rs. (EPS for the interim periods are not annualised)						
	- Basic	12.66	13.48	11.10	39.00	34.83	48.00
	- Diluted	12.64	13.46	11.08	38.95	34.76	47.91

* Other income includes foreign exchange gain/ (loss)

Standalone Information

	Particulars	Quarter ended			Nine months period ended		Year ended
		December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	December 31, 2024	March 31, 2025
	Revenue from Operations	123,083	120,676	111,762	359,705	330,336	446,172
	Profit Before Exceptional Item and Tax	15,059	15,334	10,752	45,805	35,798	44,972
	Profit before Tax	12,607	15,334	10,752	43,353	35,798	44,972
	Profit after Tax	9,638	11,757	8,583	33,180	27,958	35,061

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Primary Segments

The Group [Tech Mahindra Limited (defined as Holding Company/Company), together with its subsidiaries], its associates and joint ventures identifies its Primary Business Segments based on the type of services offered, i.e. Information Technology (IT) Services & Business Process Services (BPS).

Segment wise Revenue, Results, Assets and Liabilities

Particulars	Quarter ended			Nine months period ended		Year ended
	December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	December 31, 2024	March 31, 2025
Segment Revenue						
a) IT	120,756	117,669	111,464	351,062	331,491	444,767
b) BPS	23,176	22,280	21,392	66,331	64,552	85,116
Total	143,932	139,949	132,856	417,393	396,043	529,883
Segment Results						
a) IT	23,538	23,293	21,392	67,587	59,993	82,709
b) BPS	3,507	3,679	3,115	10,543	9,110	11,923
Total	27,045	26,972	24,507	78,130	69,103	94,632
Less:						
(i) Finance costs	936	772	759	2,486	2,364	3,217
(ii) Other un-allocable expenditure*	8,126	9,979	11,005	27,447	31,774	43,524
(iii) Exceptional Item (Refer Note 4)	2,724	-	-	2,724	-	-
Add:						
(i) Other income	(217)	400	165	2,366	6,827	8,554
(ii) Share in Profit / (Loss) of Associates / Joint Ventures	9	(28)	66	(14)	98	86
Profit before tax	15,051	16,593	12,974	47,825	41,890	56,532

*Expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

Statement of Segment Assets and Liabilities	December 31, 2025	September 30, 2025	December 31, 2024	March 31, 2025
Segment Assets				
Trade and Other Receivables				
IT	117,496	121,917	109,270	112,443
BPS	23,036	20,875	18,331	18,622
Total Trade and Other Receivables	140,532	142,792	127,601	131,065
Goodwill				
IT	65,495	64,828	61,879	62,029
BPS	15,565	15,491	14,593	14,964
Total Goodwill	81,060	80,319	76,472	76,993
Unallocable Assets				
	240,483	235,171	218,361	236,887
TOTAL ASSETS	462,075	458,282	422,434	444,945
Segment Liabilities				
Unearned Revenue				
IT	15,480	13,978	11,634	10,893
BPS	944	974	977	970
Total Unearned Revenue	16,424	14,952	12,611	11,863
Unallocable Liabilities				
	165,997	163,803	145,605	155,165
TOTAL LIABILITIES AND SUSPENSE ACCOUNT	182,421	178,755	158,216	167,028

Segregation of assets and liabilities into primary segments has been done to the extent applicable. Segregation of remaining assets and liabilities into various primary segments has not been done as these are used interchangeably between segments. Accordingly no disclosure relating to such has been made.

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Audited Consolidated Interim Financial Results for the quarter and nine months period ended December 31, 2025

Notes :

1 These results have been prepared on the basis of the audited condensed consolidated interim financial statements which are prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") 34 - Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015 and relevant amendment rules thereafter. The quarterly and nine months period ended December 31, 2025 financial results have been reviewed by the Audit Committee and have been approved and taken on record by the Board of Directors in its meeting held on January 16, 2026.

2 Certain matters relating to erstwhile Satyam Computer Services Limited (erstwhile Satyam):

Proceedings in relation to 'Alleged Advances':

Erstwhile Satyam had, in the past, received letters from 37 companies seeking confirmation by way of acknowledgement of receipt of certain alleged amounts by the erstwhile Satyam (referred to as 'alleged advances'). These letters were followed with legal notices claiming repayment of the alleged advances aggregating to Rs. 12,304 Million together with damages/compensation @ 18% per annum till the date of repayment. The erstwhile Satyam had not acknowledged any liability and replied to the legal notices stating that the claims are not legally tenable. Subsequently, the 37 companies filed petitions for recovery against the erstwhile Satyam before the City Civil Court, Secunderabad (Court), of which one petition has been converted into suit and balance 36 petitions are at various stages of pauperism/suit admission.

The Hon'ble High Court of Andhra Pradesh in its Order approving the merger of the erstwhile Satyam with the Company, held that in the absence of Board resolutions and documents evidencing acceptance of unsecured loans, i.e. alleged advances, by the former Management of the erstwhile Satyam, the new Management of the erstwhile Satyam is justified in not crediting the amounts received in the names of the said 37 companies and not disclosing them as creditors and in disclosing such amounts as 'Amounts pending investigation suspense account (net)' in the financial statements. The Hon'ble High Court held, inter-alia, that the contention that Satyam is retaining the money, i.e. the alleged advances, of the 'creditors' and not paying them does not appear to be valid and further held that any right of the objecting creditors can be considered only if the genuineness of the debt is proved. The matter is pending final adjudication.

Appeals were filed before the Division Bench of the Hon'ble High Court of Andhra Pradesh against the Order of the single judge of the Hon'ble High Court of Andhra Pradesh sanctioning the Scheme of merger of erstwhile Satyam with the Company w.e.f. April 1, 2011, which are yet to be heard. Further, petition was filed by the 37 companies for winding-up of the erstwhile Satyam with the Hon'ble High Court of Andhra Pradesh which was subsequently rejected. One of the aforesaid companies also filed an appeal against the said order with the Division Bench of the Hon'ble High Court of Andhra Pradesh. These matters have been combined for hearing.

The Directorate of Enforcement (ED) while investigating the matter under the Prevention of Money Laundering Act, 2002 (PMLA) had directed the erstwhile Satyam not to return the alleged advances until further instructions.

In view of the aforesaid and based on an independent legal opinion, current legal status and lack of documentation to support the validity of the claim, the Management believes that the claim by the 37 companies for repayment of the alleged advances, including interest thereon will not be payable on final adjudication. As required by the Hon'ble High Court in the scheme of merger, the said amount of Rs. 12,304 Million has been disclosed as "Amounts pending investigation suspense account (net)" ("Suspense Account (net)"), which override the relevant requirement of Conceptual Framework for Financial Reporting under Indian Accounting Standards (Ind AS). Accordingly, the amounts of these alleged advances are disclosed separately from equity and liabilities of the Company in the books of account.

3 During the nine months period ended December 31, 2025, 727,621 shares of Rs 5/- each fully paid, were allotted upon exercise of the vested stock options pursuant to the Company's Employee Stock Option Schemes resulting in an increase in the paid-up share capital by Rs. 4 Million.

4 On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws, collectively referred to as the 'New Labour Codes'. The Group has assessed and disclosed the incremental impact of these changes, taking into consideration the best information available read with the FAQs released by Ministry of Labour & Employment and Institute of Chartered Accountants of India. Considering the materiality and regulatory driven, non-recurring nature of this impact, the Group has presented incremental impact of Rs. 2,724 Million related to Employee Benefit Obligations under "Exceptional item" in the consolidated interim financial results for quarter and nine months ended December 31, 2025. The Group continues to monitor developments on the rules to be notified by regulatory authorities, including clarifications/ additional guidance from authorities and will continue to assess the accounting implications basis such developments/ guidance.

5 The Company has received an Order dated December 17, 2025 from the Regional Provident Fund Commissioner directing remittance of Rs. 12,874 million, (comprising Rs. 5,668 million towards PF contributions and Rs. 7,207 million towards interest), in respect of employees deputed to non-SSA countries (countries with which India do not have Social Security Agreement) and certain allowances paid to domestic employees. The Company has examined the Order and, based on consultation with external legal counsel and its legal assessment, believes that it has a strong case and will be able to defend its position. The Order will be challenged before the appropriate authority. The Company does not expect any material financial impact arising from the said Order.

6 Emphasis of Matter

The Emphasis of Matter in the Auditor's Report:

With relation to Note 2 in respect of certain matters relating to erstwhile Satyam Computer Services Limited (erstwhile Satyam), amalgamated with the Holding Company with effect from April 1, 2011, is discussed below:

In accordance with the Scheme approved by the Honourable High Court of Hyderabad, Andhra Pradesh, the Holding Company has presented separately under "Suspense account (net)" claims made by 37 companies in the City Civil Court, for alleged advances amounting to Rs. 12,304 Million, to erstwhile Satyam. The Holding Company's management on the basis of current legal status, lack of documentation to support the validity of the claim and external legal opinion, believes that claims will not be payable on final adjudication.

Management response to Emphasis of Matter:

With regard to the Emphasis of Matter stated above, there are no additional developments which require adjustments to the audited consolidated interim financial results.

7 The audited consolidated interim financial results have been made available on the BSE Limited website (www.bseindia.com), the National Stock Exchange of India Limited website (www.nseindia.com) where the Company's securities are listed and are posted on the Company's website at the web-link: <https://www.techmahindra.com/en-in/investors/>.