



Registered Office: Tech Mahindra Limited, Gateway Building, Apollo Bunder, Mumbai - 400 001

Consolidated PAT* at Rs. 2,061 million for the quarter, up 19% over previous year and 10% sequentially

*Before earlier period items, minority interest & share of profit / (loss) in Associate

Consolidated Audited Financial Results for the Quarter and Nine months ended December 31st, 2010

Rs. In Lakhs					
Particulars	Quarter ended 31st December		Nine months ended 31st December		Year ended 31st March
	2010	2009	2010	2009	2010
1 Income from Operations	121114	118730	387872	344211	462540
2 Expenditure					
Personnel Cost	60182	52530	179437	156195	205912
Travelling Expenses	9972	7260	25846	23150	30789
Services rendered by Business Associates & Others	11380	11161	36057	33300	47,886
Depreciation	3475	3310	10483	9391	13,386
Operating and other expenses	14601	19713	72100	46194	64699
Total	99610	93974	323923	268230	362672
3 Profit from operations before Other Income, Interest and Exceptional Item	21504	24756	63949	75981	99868
4 Other Income	5218	55	8574	148	7537
5 Profit before Interest and Exceptional Item	26722	24811	72523	76129	107405
6 Interest	2523	4593	7858	18733	21841
7 Profit after Interest and before Exceptional Item	24199	20218	64665	57396	85564
8 Exceptional Item	-	-	-	(849)	(849)
9 Profit before tax	24199	20218	64665	56547	84715
10 Provision for taxation	3592	2854	10900	8981	14398
11 Profit after tax before earlier period items, minority interest and share of profit / (loss) in Associate - SCSL	20607	17364	53765	47566	70317
12 Share of profit/(loss) in Associate					
- Profit after tax and minority interest (excluding exceptional items)	1350	-	1350	-	-
- Exceptional items	(360)	-	(360)	-	-
13 Earlier period items - Share of profit/(loss) in Associate					
- Profit after tax and minority interest (excluding exceptional items)	4500	-	15160	-	-
- Exceptional items	(340)	-	(14670)	-	-
14 Profit before minority interest	25757	17364	55245	47566	70317
15 Minority Interest	(57)	(90)	(41)	(219)	(275)
16 Profit after tax	25700	17274	55204	47346	70042
17 Paid-up Equity Share Capital (Face Value of Share Rs. 10)	12585	12232	12585	12232	12232
18 Reserves excluding revaluation reserve	-	-	-	-	256977
19 Earnings Per Share (Rs.): (Not Annualized)					
Before Exceptional Item					
- Basic	20.65	14.18	44.35	39.53	58.10
- Diluted	19.73	13.26	42.37	36.97	54.37
20 Earnings Per Share (Rs.): (Not Annualized)					
After Exceptional Item					
- Basic	20.65	14.18	44.35	38.84	57.41
- Diluted	19.73	13.26	42.37	36.32	53.72
21 Public Shareholding					
- Number of shares	34295745	20810086	34295745	20810086	30766213
- Percentage of shareholding	27.25%	17.02%	27.25%	17.02%	25.15%
22 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	91553901	101424813	91553901	101424813	91553901
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	72.75%	82.98%	72.75%	82.98%	74.85%

Rs. In Lakhs					
Stand-Alone Information (Audited)					
Particulars	Quarter ended 31st December		Nine months ended 31st December		Year ended 31st March
	2010	2009	2010	2009	2010
1) Revenues	118123	114990	376657	331989	448376
2) Profit before tax and exceptional item	23937	18978	61360	59729	88274
3) Profit after tax before exceptional item	20202	16580	51425	51963	75134
4) Profit after tax and exceptional item	20202	16580	51425	51114	74285
Segmentwise Revenue, Results and Capital Employed					
Particulars	Quarter ended 31st December		Nine months ended 31st December		Year ended 31st March
	2010	2009	2010	2009	2010
Segment Revenue					
a) Telecom Service Provider	105671	102583	341545	295513	397408
b) Telecom Equipment Manufacturer	5830	5794	18509	19402	26435
c) BPO	7666	6270	22063	19777	26601
d) Others	1947	4083	5755	9519	12096
Total	121114	118730	387872	344211	462540
Less: Inter Segment Revenue	-	-	-	-	-
Net Sales / Income from operations	121114	118730	387872	344211	462540
Segment Profit before tax, interest and depreciation					
a) Telecom Service Provider	37157	37593	110862	111343	149697
b) Telecom Equipment Manufacturer	1449	1897	5728	6498	8894
c) BPO	3307	2887	9433	9867	12762
d) Others	380	1213	1438	3129	4085
Total	42293	43590	127461	130837	175438
Less:					
(I) Interest	2523	4593	7858	18733	21841
(ii) Other un-allocable expenditure Net off un-allocable income	15571	18779	54938	54708	68033
(iii) Exceptional Item	-	-	-	(849)	(849)
Profit before tax	24199	20218	64665	56547	84715

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 21st January 2011.
- Satyam Computer Services Limited (SCSL), an associate of Tech Mahindra Ltd. (Tech M), declared its consolidated financial results for the quarter ended June 30, 2010 and September 30, 2010 on 14th November 2010. As required by AS 23 "Accounting for Investments in associates in Consolidated Financial Statements", the Company has followed Equity Method of Accounting based on the most recent available consolidated financial statements of SCSL i.e. September 30, 2010. TechM's results for the quarter ended 31st December 2010 include share in profits of SCSL for the quarter ended June 30, 2010 and September 30, 2010. TechM's share of profit in SCSL for the quarter ended June 30, 2010 has been included as earlier period item in the current quarter ended 31st December 2010.
The auditors of SCSL have qualified the auditors' report for the year ended 31st March 2010 as well as quarter ended 30th June and 30th September 2010, expressing their inability to ascertain the effects of number of items, including initiation of investigations and legal proceedings by various regulators, in respect of financial irregularities under the previous management, on the financial statements of SCSL.
Due to the above, the auditors of Tech Mahindra have also qualified their consolidated audit report in respect of the 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.
- During the previous year, a customer has restructured long term contracts with the Company from April 1, 2009 which involves changes in commercial, including rate reduction, and other agreed contract terms. As per the amended contracts the customer has paid the Company restructuring fees of Rs 96819 Lakhs. The services under the restructured contracts would continue to be rendered over the life of the contract. The restructuring fees received would be amortized and recognized as revenue over the term of the contract on a straight line basis. An amount of Rs. 15036 Lakhs has been recognized as revenue for the period from April 01, 2010 to December 31, 2010 and the balance amount of Rs. 61734 Lakhs has been carried forward and disclosed as deferred revenue in the Balance Sheet.
- Operating and other expenses for nine months ended December 31, 2010 include Rs 27985 lakhs of hardware and software expenses accounted as finance lease for a customer.
- Information on investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 31st December, 2010

Nature of Investor complaints	Opening Balance	Additions	Disposal	Closing Balance
Allotment/Refund/Transfer/Others	1	56	56	1
- 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 :

1. 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.

2. 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.

Date : 21st January 2011

Vineet Nayyar
Vice Chairman and Managing Director