

Tech Mahindra Limited

Basis of FY13 and FY12 Tech Mahindra Ltd's (Merged Entity) Financials

1. The merger scheme was approved by the Board of Directors of Tech Mahindra Ltd,(transferee company), Satyam Computer Services Ltd, CanvasM Technologies Ltd, Mahindra Logisoft Ltd. C&S & Venturbay Consultants Ltd(collectively called transferor companies) in March 2012 was for merger of transferor companies in to Tech Mahindra Ltd with retroactive date 1st April 2011 (appointed date) . The swap ratio was 2 shares of Tech Mahindra Ltd for 17 shares of Satyam.
2. The merger was consummated on 24th June 2013 with all the statutory & regulatory approvals.
3. The enclosed consolidated financials of Tech Mahindra Ltd for April 11- March 2012 & April 2012 March 2013 are for merged company & its subsidiaries with retroactive date of April 1, 2011.
4. The merged financials are prepared from audited accounts of the 6 companies mentioned above as if the merger has taken place on 01.04.2011. The intercompany transactions among the above mentioned 6 companies have been eliminated to avoid duplication of revenue.
5. We have not obtained the audit opinion on the merged entity's consolidated financials for FY13 and FY12

Tech Mahindra Ltd (Merged Consol)		Rs Million	
Balance Sheet as at		March 31, 2013	March 31, 2012
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2,316		2,309
(b) Reserves and Surplus	66,214		45,849
		68,530	48,158
2 Share Application Money Pending Allotment		5	0
3 Minority Interest		1,344	150
4 Non-Current Liabilities			
(a) Long-Term Borrowings	3,215		6,234
(b) Other Long-Term Liabilities	2,242		4,315
(c) Long-Term Provisions	3,934		4,815
		9,391	15,363
5 Current Liabilities			
(a) Short-Term Borrowings	5,311		5,266
(b) Trade Payables	8,577		6,908
(c) Other Current Liabilities	20,374		15,733
(d) Short-Term Provisions	12,269		11,644
		46,531	39,550
6 Amount pending investigation		12,304	12,304
TOTAL EQUITY AND LIABILITIES		138,105	115,525
II. ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	17,264		14,392
(ii) Intangible Assets	5,054		490
(iii) Capital Work-in-Progress	2,595		3,677
		24,913	18,558
(b) Non-Current Investments		358	352
(c) Interest in TML Benefit Trust		12,071	12,071
(d) Deferred Tax Asset		3,477	2,678
(e) Long-Term Loans and Advances		7,433	5,146
(f) Other Non-Current Assets		219	36
		48,471	38,842
2 Current Assets			
(a) Current Investments	1,745		2,227
(b) Inventory	110		148
(c) Trade Receivables	33,688		27,215
(d) Unbilled Revenue	6,537		5,559
(e) Cash and Cash equivalents	34,629		30,960
(f) Short-Term Loans and Advances	12,925		10,576
		89,634	76,685
3 Unexplained differences Suspense Account (Net)		-	-
TOTAL ASSETS		138,105	115,525

Tech Mahindra Ltd (Merged Consol)		Rs Million	
Statement of Consolidated Profit and Loss for the year ended		March 31, 2013	March 31, 2012
I.	Revenue from Services	143,320	117,024
II.	Other Income	2,122	5,013
III.	Total Revenue (I + II)	145,442	122,037
IV.	Expenses:		
	Employee Benefits Expense	80,995	65,919
	Subcontracting Expenses	8,820	9,486
	Operating and Other Expenses	22,873	22,101
	Finance Costs	921	1,073
	Depreciation and Amortisation Expense	3,896	3,190
	Total Expenses	117,505	101,769
	Profit before Exceptional Items, Tax and Minority Interest (III - IV)	27,937	20,268
V	Exceptional Items (net)	1,601	(369)
VI	Profit before Tax and Minority Interest (V - VI)	26,336	20,637
VIII	Tax Expense:		
	(a) Current Tax	6,929	4,274
	(b) Deferred Tax	(450)	(1,985)
IX	Profit after Tax and before Minority Interest (VII-VIII)	19,857	18,348
X	Minority Interest	(301)	84
XI	Profit for the year (IX-X)	19,556	18,432

Tech Mahindra Merged Consol financials for FY 13 -Summary P&L

					Rs. Million
Particulars	Q1 13	Q2 13	Q3 13	Q4 13	FY 12-13
Revenue from services	33,727	35,237	36,683	37,673	143,320
Cost of Services	21,007	22,271	22,761	23,968	90,006
Gross Profit	12,720	12,966	13,923	13,705	53,313
SGA	5,328	5,397	5,965	5,992	22,681
Operating Profit	7,392	7,569	7,958	7,714	30,633
Other Income	1,129	(697)	1,308	381	2,122
Interest Expense	251	214	204	253	921
Depreciation	915	908	866	1,207	3,896
Profit before Tax	7,356	5,749	8,196	6,635	27,937
Provision for taxes	1,911	1,176	1,931	1,461	6,479
Profit after tax before exceptional, earlier period items and minority interest	5,446	4,573	6,265	5,174	21,458
Non Recurring / Exceptional Items	-	-	(2,940)	1,340	(1,601)
Minority interest	(40)	(15)	(109)	(137)	(301)
Profit after tax	5,405	4,558	3,215	6,377	19,556

					USD Million
Particulars	Q1 13	Q2 13	Q3 13	Q4 13	FY 12-13
Revenue from services	615	644	675	698	2,633
Cost of Services	383	407	419	444	1,653
Gross Profit	232	237	256	254	979
SGA	97	99	110	111	417
Operating Profit	135	138	146	143	563
Other Income	21	(13)	24	7	39
Interest Expense	5	4	4	5	17
Depreciation	17	17	16	22	72
Profit before Tax	134	105	150	123	513
Provision for taxes	35	22	36	27	119
Profit after tax before exceptional, earlier period items and minority interest	99	84	115	96	394
Non Recurring / Exceptional Items	-	-	(54)	25	(29)
Minority interest	(1)	(0)	(2)	(3)	(6)
Profit after tax	99	83	59	118	359