

Annual Report 2012-13



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Tech Mahindra represents the connected world, offering innovative and customer-centric information technology services and solutions, enabling Enterprises, Associates and the Society to Rise™. We are a USD 2.67 billion company with 83,000 professionals across 49 countries, helping over 560 global customers including Fortune 500 companies. Our Consulting, Enterprise and Telecom solutions, platforms and reusable assets connect across a number of technologies to derive tangible business value.

We are part of the USD 16.2 billion Mahindra Group that employs more than 155,000 people in over 100 countries. The Group operates in the key industries that drive economic growth, enjoying a leadership position in tractors, utility vehicles, after-market, information technology and vacation ownership.

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Corporate Information

Board of Directors

Mr. Anand G. Mahindra, Chairman
Mr. Vineet Nayyar, Executive Vice Chairman
Mr. C. P. Gurnani, Managing Director
Hon. Akash Paul (Upto 1st July 2013)
Mr. Anupam Puri
Mr. B. H. Wani (Upto 1st July 2013)
Mr. Bharat N. Doshi
Mr. M. Damodaran
Mrs. M. Rajyalakshmi Rao (w.e.f. 1st July 2013)
Mr. Paul Zuckerman
Dr. Raj Reddy (Upto 1st July 2013)
Mr. Ravindra Kulkarni
Mr. T. N. Manoharan (w.e.f. 1st July 2013)
Mr. Ulhas N. Yargop

Chief Financial Officer

Mr. Milind Kulkarni

Company Secretary & Chief Compliance Officer

Mr. G. Jayaraman

Registered Office

Gateway Building,
Apollo Bunder,
Mumbai – 400 001.

Corporate Office

Plot No. 1, Phase III,
Rajiv Gandhi Infotech Park,
Hinjewadi, Pune – 411 057

Committees of Directors

Audit Committee

- Mr. M. Damodaran, Chairman
- Mr. Anupam Puri
- Mr. Paul Zuckerman
- Mr. T. N. Manoharan
- Mr. Ulhas N. Yargop

Compensation & Nominations Committee

- Mr. Ravindra Kulkarni, Chairman
- Mr. Anupam Puri
- Mr. Paul Zuckerman
- Mr. Ulhas N. Yargop

Investor Grievances-cum-Share Transfer Committee

- Mr. Ravindra Kulkarni, Chairman
- Mr. Ulhas N. Yargop
- Mr. Vineet Nayyar

Executive Committee

- Mr. Vineet Nayyar, Chairman
- Mr. Bharat N. Doshi
- Mr. Ulhas N. Yargop

Securities Allotment Committee

- Mr. Vineet Nayyar, Chairman
- Mr. C. P. Gurnani
- Mr. Ulhas N. Yargop

Bankers

Bank of Baroda
BNP Paribas
Citibank
HDFC Bank
HSBC Bank
ICICI Bank
IDBI Bank
Kotak Mahindra Bank

Auditors

Deloitte, Haskins & Sells
Chartered Accountants

Executive Vice Chairman's Communique



Vineet Nayyar
Executive Vice Chairman

Dear Investor,

It is a distinct pleasure to write to all of you on the culmination of a landmark year in the history of your company. It was a year where we made great progress on the merger and integration with Mahindra Satyam, a year where we were firmly back in the growth orbit and a year where your company was recognized as a leader in multiple areas of technology.

As you are aware we got all formal approvals for the merger in the first quarter of the current financial year and the Board of Directors of the Company has been re-constituted. It has been a satisfying four year journey for both companies and with the merger, Tech Mahindra is amongst the top 5 IT companies in India, with an associate strength of 83,000+. The new Tech Mahindra leverages the erstwhile Mahindra Satyam's expertise in Analytics, and Social domains and Tech Mahindra's experience and leading position in Security, Mobility, Cloud and Network Space. With continued leadership in the Telecom verticals, and considerable strengths across multiple other verticals like Manufacturing, BFSI and Healthcare, the combined entity stands poised to take advantage of the emerging market opportunities.

I am glad to inform you that despite business challenges and economic uncertainties, we have delivered on the promise of growth made at the beginning of the year. Economic uncertainties have become the norm, and business models are changing due to impact of emerging trends like unified networks, machine to machine communication, and social media. Tech Mahindra, with its focus on innovation, customer centricity and strategic acquisitions, has been able to sustain and grow its footprint in this demanding environment. Our investments in the areas of Networks, Mobility, Analytics, Cloud and Security (NMACS) are positioning us well to capitalize on the changing demand cycle and to deliver value to our customers. Our success in winning large engagements bears testimony to our strengths and capabilities in our chosen domains.

Monday, the 24th June: a red letter day

June 24 was a momentous day for us as the Scheme of Amalgamation of Mahindra Satyam with Tech Mahindra was made effective pursuant to the final nod given by the courts of Maharashtra and Andhra Pradesh and regulatory authorities in India. Our stakeholders across the board have endorsed the merger with enthusiasm and pride as we now emerge a more diverse, larger and connected organisation - the new Tech Mahindra.

The operational integration of both companies is progressing well and we are currently aligning our systems, processes and best practices to ensure a seamless functionality across both companies. Customer Centricity and Associate Delight continue to be key focus areas and our recently launched 'Young CEO' is yet another step towards nurturing young talent in the company and empowering the exceptional.

Tech Mahindra added to its strengths and expanded its footprint in the global BPO and Managed VAS Services market through acquisition of **Hutchison Global Services and Comviva Technologies**, and we entered the Brazilian Enterprises solutions market through acquisition of **Complex IT**, one of the largest SAP consulting providers in Brazil. This acquisition marks another important milestone in our journey, and enables our Latin American customer's access to global delivery capability at a local delivery centre. In addition, we also added new delivery centers at Fargo, North Dakota, in Brussels, Belgium and commenced the construction of **IT Development Centre in MIHAN SEZ, Nagpur, India**.

Tech Mahindra's commitment to excellence over the past year earned us the 2013 **AT&T Supplier Award** for the third time in four years. Mahindra Comviva (a subsidiary of Tech Mahindra) won **GSMA Global Mobile Awards 2013** in the Best Consumer Mobile Service category for their mobility services to Bangladesh Railways in collaboration with two leading mobile service providers. Tech Mahindra's focus on learning and employee development won us the **Training Top 125 Award** and we were ranked **among the Top 3 companies in KPMG's Client Satisfaction Rankings** in Europe.

Mahindra Rise™ tenets continue to inspire us as our teams drive positive change across all stakeholders. Our associates are engaged with the community and the employee volunteering program has seen an overwhelming participation both from our young associates and leaders.

Stepping into the New Year, we are confident of our way forward and are committed to delivering enhanced value to all our stakeholders. I would like to thank our valued customers and employees for their support that has been critical and integral to our success. I also like to place on record our deepest gratitude to our shareholders for their continued patronage and unwavering faith. I assure you that my team and I will live up to the trust you have reposed in us.

We look forward to an exciting year ahead with new milestones and achievements.

Sincerely,



Vineet Nayyar
Executive Vice Chairman

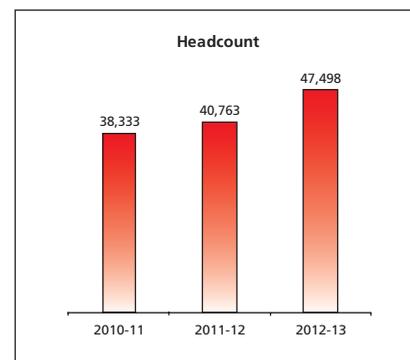
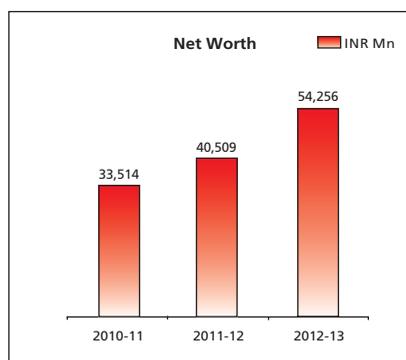
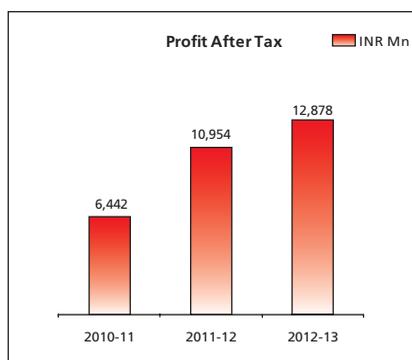
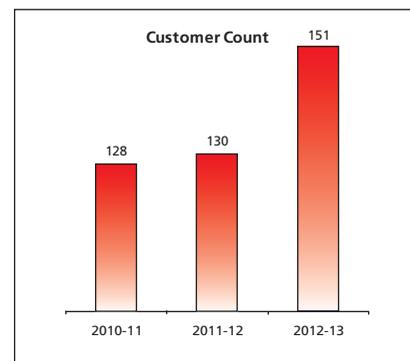
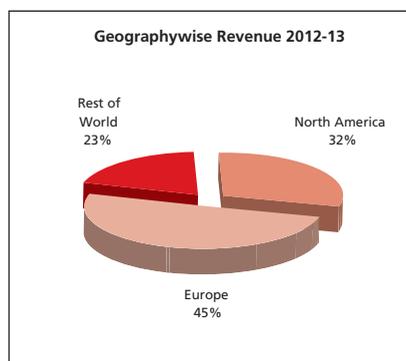
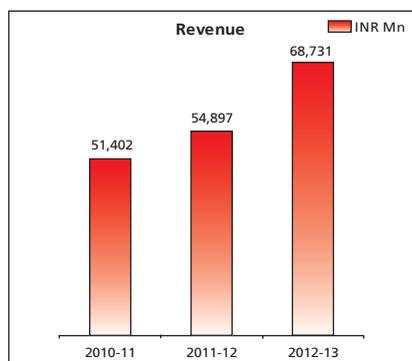
Place: Mumbai
Date: 12th August, 2013

CONSOLIDATED FINANCIAL HIGHLIGHTS

Particulars	2009		2010		2011		2012		2013	
	₹ Mn	US\$ Mn								
Revenue	44,647	984.9	46,254	976.6	51,402	1126.6	54,897	1156.3	68,731	1263.1
Total Income	44,269	977.0	47,008	992.9	52,690	1155.1	55,879	1179.2	67,984	1249.1
EBIDTA (Operating Profit)	12,824	281.9	11,326	239.9	10,033	219.3	9,194	193.5	14,242	261.5
PBIT	11,350	249.9	10,741	227.9	9,887	216.2	8,562	182.4	11,495	210.8
Interest	25	0.5	2,184	45.7	1,113	24.5	1,026	22.5	1,030	19.0
PBT	11,325	249.4	8,557	182.3	8,774	191.7	7,537	159.8	10,465	191.8
PAT before exceptional items and share of profit/(loss) in Associate Company	10,145	223.6	7,117	151.5	7,458	163.0	6,099	129.2	8,110	148.8
PAT	10,145	223.6	7,005	149.1	6,442	140.7	10,954	229.7	12,878	236.5
EBIDTA Margin %	28.7%	28.7%	24.5%	24.5%	19.5%	19.5%	16.7%	16.7%	20.7%	20.7%
PAT Margin %*	22.7%	22.7%	15.4%	15.4%	14.5%	14.5%	11.1%	11.1%	11.8%	11.8%
Equity Capital	1,217	24.0	1,223	27.2	1,260	28.2	1,275	25.1	1,281	23.6
Net Worth	19,434	383.2	28,865	643.0	33,514	751.6	40,509	796.3	54,256	999.4
Net Block Including CWIP	6,522	128.6	7,231	161.1	6,778	152.0	8,496	167.0	9,382	202.4
Investments	4,346	85.7	30,145	671.5	29,080	652.2	35,876	705.2	40,987	755.0
Current Assets	17,370	342.5	21,366	476.0	20,290	455.0	22,204	436.5	30,912	569.4
Current Liabilities & Provisions	8,888	175.2	8,665	193.0	15,104	338.7	16,663	327.6	27,181	500.7
Total Assets	28,434	560.6	59,018	1,314.8	60,553	1,358.0	69,353	1,363.3	89,844	1,654.9
Current Ratio	2.0	2.0	2.5	2.5	1.3	1.3	1.3	1.3	1.1	1.1
ROCE % #	70.0%	70.0%	34.7%	34.7%	22.1%	22.1%	17.6%	17.6%	19.2%	19.2%
EPS (Diluted, in ₹ and US\$)	78.8	1.7	54.4	1.1	49.3	1.1	82.9	1.7	96.7	1.8

* Before tax, exceptional item and share of profit/(loss) in Associate Company

ROCE% = PBIT/Average capital employed



DIRECTORS' REPORT

Your Directors present their Twenty-sixth Annual Report together with the audited accounts of your Company for the year ended 31st March, 2013.

FINANCIAL RESULTS

(₹ in Million)

For the year ended 31 st March	2013	2012
Income	59,067	53,107
Profit before Interest, Depreciation, exceptional items and tax	10,832	8,986
Interest	(1,090)	(1,025)
Profit before Depreciation and tax	9,742	7,961
Depreciation	(1,570)	(1,505)
Profit before tax	8,172	6,456
Provision for taxation	(1,647)	(1,171)
Profit after tax before non-recurring / exceptional items	6,525	5,285
Non-recurring / exceptional items	-	(679)
Profit for the year after tax and non-recurring / exceptional items	6,525	4,606
Balance brought forward from previous year	24,068	22,412
Profit available for appropriation	30,593	27,018
Transfer to Debenture Redemption Reserve	(1,348)	(1,353)
Dividend - Final Dividend*	(-)	(4)
- Dividend (Proposed)	(641)	(510)
Tax on dividend	(109)	(83)
Transfer to General Reserve	(1,000)	(1,000)
Balance carried forward	27,495	24,068

* In respect of equity shares issued pursuant to ESOP after 31st March 2012 but before book closure date, the Company paid dividend of ₹ 0.45 Million for the year 2011-12 and tax on dividend of ₹ 0.07 Million as approved by the shareholders at the Annual General Meeting held on August 10, 2012.

DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 5/- per Equity Share (50%), payable to those Shareholders whose names appear in the Register of Members as on the Book Closure Date.

The equity dividend outgo for the financial year 2012-13, inclusive of tax on distributed profits would absorb a sum of ₹ 750 Million (₹ 593 Million for the previous year).

CHANGES IN SHARE CAPITAL

During the year under review, your Company allotted 632,482 equity shares of face value ₹ 10 each on the exercise of stock options under its various Employee Stock Option Plans and consequently the number of issued, subscribed and paid-up equity shares has increased from 127,486,541 equity shares to 128,119,023 equity shares of ₹ 10 each aggregating to ₹ 1,281,190,230/-.

BUSINESS PERFORMANCE / FINANCIAL OVERVIEW

Your company continues to lead the India IT services and solutions provider space for the Telecom Industry, serving

segments such as Telecom Services Providers (TSPs), Telecom Equipment Manufacturers (TEM's) and Independent Software Vendors (ISV's) with a wide array of services catering to the changing needs of the Telecom ecosystem.

In fiscal 2012-13 your Company's consolidated revenues increased to ₹ 68,731 Million from ₹ 54,897 Million in the previous year, at a growth rate of 25.2%. It includes revenue of ₹ 6,561 Million from acquisition business. The geographical split of revenue was quite balanced with 45% share from Europe, 33.2% from Americas and 21.8% from the Rest of the World (ROW).

The consolidated Profit before Interest, Depreciation, Tax and Exceptional items was at ₹ 13,495 Million (19.6% of revenue) against ₹ 10,164 Million (18.5% of revenue) in the previous year. This improvement in operating profits was driven by revenue growth and cost efficiencies in addition to benefit from depreciation of rupee.

The consolidated Profit after tax, after exceptional items and minority interest amounted to ₹ 7,914 Million as against ₹ 5,385 Million in the previous year, an increase of 46.96%.

The consolidated Profit after tax, including share of profit/ (loss) in associate company (Mahindra Satyam), amounted to ₹ 12,878 Million as against ₹ 10,955 Million in the previous year, a growth rate of 17.6%.

The global technology landscape continues to be shaped by both economic forces and by the emergence of new trends like social media and cloud computing. The lingering crisis in Europe, volatile financial markets and government austerity programs could impact spend on IT in the coming year. Our Customers have to face the twin challenges of optimizing current IT spend and investing in future technologies and trends. The underlying strength of the global delivery model and the significant benefits it offers to global customers could help corporations in achieving both objectives. Your Company has been providing solutions, which leverage the global delivery model, to Telecom companies to improve Customer experience, bring in operational efficiencies and improve TSP customer's Average Revenue Per User (ARPU).

Your company serves large global telecom companies as well as green field operators across more than 31 countries. The number of active customers has increased from 130 in the last year to 151 at the end of the Fiscal 2012-13, and the focus for the coming year is broadening our relationships across our customer base leveraging our Six Pillar Strategy.

Your company's services offerings are grouped in six distinct domains based on the areas of customer spend. The six domains which are Applications, Networks, Infrastructure, Value Added Services (VAS), Security solutions and Business Services together covering almost all areas of customers spend in our target markets.

Customer Centricity and enhancing customer experience has always been a focus area for your Company. This year your Company launched a Customer Centricity Office (CCO), with a Chief Customer Centric officer to ensure that the high levels of customer experience are sustained.

Your Company continues to invest in new technologies like smart computing products, cloud, analytics and mobility. These investments will help your Company capitalize on the emerging revenue opportunities in these areas. Your Company's domain expertise and leading solutions in the telecom vertical has earned itself a niche in the market place. Voice & Data – India's leading communication magazine ranked the Company as India's No. 1 Telecom Software service provider.

Your company today, has more than 15 delivery centers worldwide and 17 sales offices. In the year gone by, Tech Mahindra acquired Hutchison Global Services Private Limited and also acquired 51% stake on a fully diluted basis in Comviva Technologies Limited, a Bharti Group Company.

In summary, your Company is well positioned in the markets it serves with a broad range of service offerings and a diversified customer base across geographies.

ACQUISITION UPDATES

Hutchison Global Services (HGS)

Your company acquired 100% stake in Hutchison Global Services Ltd. (HGS) (erstwhile Hutchison Global Services Pvt. Ltd.) in September 2012 for a cash consideration of US\$87.1 Million. HGS provides customer lifecycle operations to clients in UK, Ireland and Australia and has an associate base of 10,800 employees as of March 2013. HGS operates out of Mumbai and Pune and is among the largest captives in the Telecom Domain. The acquisition will provide significant enhancement of Tech Mahindra's expertise in the customer management space and will thus be a key component of its strategic plans going forward. In addition, the acquisition will enable Tech Mahindra to leverage the acquired capabilities and scale for expanding the scope of their existing services to other parts of the Hutchison group, and also to other customers and verticals.

As part of the deal, the clients of Hutchison Global Services have committed to procure services worth US\$ 845 Million over a 5 year period, and have agreed to Hutchison Global Services being their exclusive provider of certain agreed services in India.

Comviva

Your company entered in Share Purchase Agreement on 17th September 2012 for acquiring more than 51% stake on a fully diluted basis in Comviva Technologies Limited (Comviva), a Bharti Group Company, and a global leader in providing mobile Value Added Services (VAS), Mobile Money and Mobile Payment solutions, for a value of ₹ 2600 Million. Tech Mahindra made an upfront payment of ₹ 1250 Million towards the stake acquired and the balance amount of ₹ 1350 Million will be paid out over a period of five years based, on Comviva achieving mutually agreed performance targets. The current promoters will continue to hold a 20% stake on a fully diluted basis in Comviva, post the deal closure.

Comviva has an extensive portfolio of solutions spanning mobile money and payments, mobile data, integrated messaging, mobile lifestyle and customer life cycle management solutions, which enable mobile service providers to enrich mobile users' lives, whilst rationalizing costs, accelerating revenue growth and enhancing customer lifetime value. Comviva's solutions are deployed with over 130 service providers and banks in over 90 countries across Asia, Africa, Middle East, Latin America and Europe, and powers services to more than a billion mobile subscribers.

UPDATE ON SATYAM COMPUTER SERVICES LIMITED (Mahindra Satyam)

The Scheme of Amalgamation & Arrangement ('The Scheme') of Mahindra Satyam with the Company was approved by the Shareholders of both the companies, approvals received from the Stock Exchanges, Competition Commission and other regulatory authorities. The Scheme has been approved by the Hon'ble Bombay High Court on 28th September 2012

and approval from the Hon'ble High Court of Judicature of Andhra Pradesh is awaited.

The Scheme will result into operational synergies, economies of scale, sourcing benefits and standardization of business processes. The integration process within the two companies is at an advance stage and we are confident to complete the Integration as per plan. Mahindra Satyam has been on a growth trajectory for past three years and management feels that the business situation for Mahindra Satyam has displayed that it's marching ahead from its questionable past.

FINANCIAL OVERVIEW OF MAHINDRA SATYAM

Mahindra Satyam continued to grow its business and operational performance during the year. Revenues grew by 20.3% to ₹ 76,935 Million over the previous year, EBITDA improved by 59.4% to ₹ 16,325 Million (21.2% of revenue). PAT before exceptional items and minority interest increased to ₹ 13,349 Million from ₹ 11,882 Million.

A brief snapshot of Mahindra Satyam's Statement of Profit and Loss is given below:

(₹ in Million)

Particulars	FY13	FY12	Growth %
Revenue	76,935	63,956	20.3%
EBITDA	16,325	10,240	59.4%
EBITDA margins (% to revenue)	21%	16%	
Other Income	3,176	4,189	
Interest	133	118	
Depreciation	1,896	1,577	
Profit Before Tax	17,472	12,734	37.2%
Provision for Tax	4,123	852	
Profit before exceptional items and minority Interest	13,349	11,882	12.3%
Exceptional Items	1,601	(1,094)	
Minority interest	105	(84)	
Profit After Tax	11,643	13,060	-10.9%
PAT margins (% to revenue)	15.13%	20.42%	

RECENT MATERIAL CHANGE:

During the year British Telecommunications PLC (BT) has sold their balance share holding i.e. 14.05% on 30th August 2012 and 9.10% on 12th December, 2012 in the open market. Consequent to this, the Shareholders Agreement between Mahindra & Mahindra Ltd. (M & M), BT and the Company stands terminated and BT ceases to be promoter of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed analysis of your Company's performance is discussed in the Management Discussion and Analysis Report, which forms part of this Annual Report.

QUALITY

Your Company continues its focus on quality through a very robust process framework implementation. Continuous process improvements in developing solutions that meet client expectations is a way of life in your Company. The objective is to ensure greater customer satisfaction through improved quality, higher productivity and reduced cycle time.

In order to strengthen the systems further, Tech Mahindra upgraded their business management systems to comply with CMMI V1.3 Level 5 requirements.

Noida location of Tech Mahindra was successfully assessed at CMMI Dev v 1.3 L5. During the year, Tech Mahindra was recertified for ISO 9001, 20000-1, 27000, & 22301 standards, in the areas of Quality Management, Information Services Management, Information Security Management and Business Continuity Systems.

Apart from this, Tech Mahindra also strengthened their processes to comply with M&M's Business Excellence model - Mahindra Quality Way (MQW – now called TMW) and were assessed at stage 5 – the first Largest Services Company to be assessed at this Stage within the group.

Several initiatives were taken up this year, including the Engineering Excellence framework, in order to strengthen further the Business Excellence in what we deliver to the customers.

HUMAN RESOURCES

Tech Mahindra believes in the ability of each of its associates and hence provides ample opportunities to tap this potential and invests in their growth and development. Talent Engagement, Talent Development, and Talent Management have always been the key parameters assessed, benchmarked, and developed.

The 'Young CEO' initiative is in line with our Company Philosophy to grow Leaders from within. As we scale up to our 2015 Mission, we recognize the need to grow in-house Top Talent to take on critical Cost Centre roles. The 'Young CEO' Programme is designed to nurture Young Leaders to take on significant roles with 'end to end' responsibility in the areas of Merger & Acquisition, New business initiatives, Platforms, Joint Venture's or developing a new Geography. The 'Young CEO's' will be fully empowered to run the Sales, Delivery and the Domain arena. These Leaders will be given development inputs throughout and will have Mentors and Coaches to guide them to perform this task. The 'Young CEOs' would be generally below 35 years of age. We strongly believe that this talent will give us sustainable advantage through their energy, focus and out of box thinking. This initiative will create a huge opportunity for bright young minds to run Cost Centre (akin to a CEO), will provide a framework for the Company to invest in the development of top talent and also to create a performance culture where reward is based on merit and potential.

The **Shadow Board and Global Leadership Cadre** program continues to nurture young talent with high potential and make them a part of the organization's strategy planning.

This year also saw an increased focus on Senior Leadership development within the organisation. Uquity, A Leadership Development Program that has a multi pronged approach – combining the powerful outputs of a Multi Stakeholder Feedback, Self and Team Profile Analysis, Leadership Workshop followed by Executive Coaching was successfully launched. The benefits of the programme were multifold and gave participants feedback in a structured manner, helped leaders understand the how's and why's of their leadership abilities and the leadership trait of their teams thereby enhancing leadership capabilities.

Aiming to provide a platform for grooming new leaders, a program for first time managers was launched. This included handholding the managers with the expected new role and responsibilities, people management, operational management. Other developmental initiatives (**CARE – Connect Assist Recognize Engage; PLTP – People Toolkit Training Program**) that were driven to groom middle management in building on associate engagement have displayed significant results, too. There was a significant increase in manager reverse feedback and associate engagement scores, displaying the effectiveness of the initiatives.

Tech Mahindra has been one of the leaders amongst the Indian IT companies in implementation of the **Job Family Framework (JFF)**. The JFF is a directory of various jobs (roles) that are required to be performed in the company along with the behavioural and professional competencies required to effectively perform these jobs. This framework is being used for systematic career planning, development and progression of our associates since its introduction in 2004. In an effort to continuously improve upon the JFF, we recently restructured it and added a few jobs pertaining to new business verticals (non-telecom) that we expect to grow into in the coming years.

Driving towards its mission of Inclusivity, Tech Mahindra intensified and drove multiple programs to foster diversity in age, gender, culture and capability. The launch of Diversity Council across locations, led by Principle Diversity Officer and cross functional teams, have assisted in intensifying the focus on Diversity. Various initiatives/forums (such as OIE Community, Career Mailers, Quarterly Leadership sessions, Fireside Sessions with Senior Management, Women Alumni Meet, etc.) have been rolled out with these priorities. This helps to identify and implement initiatives that promote gender diversity and make Tech Mahindra a preferred career destination for women associates.

SUBSIDIARY COMPANIES

During the year under review, the Company has acquired 100% share capital of Hutchison Global Services Ltd. (HGS) (erstwhile Hutchison Global Services Pvt. Ltd.), thus making it as a wholly owned subsidiary of your Company with effect from September 2012. The Company has also acquired majority stake of Comviva in December 2012, thereby making it subsidiary of the Company. The details of HGS and Comviva are discussed separately in this report. Further the Company

has acquired 51% stake in Falcorp Technologies (Pty) Limited, South Africa with effect from 20th March 2013. The name of the African subsidiary is changed to Tech Mahindra South Africa (Pty) Limited (TM-SA). TM- SA will focus on building its NMACS strategy, a full range of network and mobility offerings inclusive of design, building, implementing and support for the telecoms sector, will now be launched in the local and African ICT sector. The offering of analytics for any business application including mobility, cloud and security solutions also forms part of its strategy. As part of the B-BBEE (Broad-Based Black Economic Empowerment) strategy, the company will target to have ~65% in local preferential procurement, a corporate social investment plan as well as a leadership and internship programme.

Considering the fact that Mahindra Satyam has a subsidiary company in Brazil and in view of the impending merger, during the year under review, a wholly owned subsidiary company in Brazil, Tech Mahindra Brasil Servicos De Informatica Ltda. has been closed with effect from 18th December 2012.

As on 31st March, 2013, your Company has 17 subsidiaries, including five step-down subsidiaries. There has not been any material change in the nature of the business of the subsidiaries. As required under the Listing Agreements with the Stock Exchanges, the Consolidated Financial Statements of your Company and all its subsidiaries and its associate Company i.e. Mahindra Satyam & its subsidiaries are attached. The Consolidated Financial Statements have been prepared in accordance with Accounting Standards AS 21, AS 23 and AS 27 issued by The Institute of Chartered Accountants of India and show the financial resources, assets, liabilities, income, profits and other details of your Company and its subsidiaries and share in associate company as a single entity, after elimination of minority interest.

In terms of general exemption granted by the Ministry of Corporate Affairs pursuant to Section 212(8) of the Companies Act, 1956, the copy of the Balance Sheet, etc. of the subsidiaries are not required to be attached with the Balance Sheet of the Company. However the Statement pursuant to Section 212 of the Companies Act, 1956 containing details of the Company's subsidiaries forms part of this Annual Report. The Company Secretary will make these documents available upon receipt of request from any member of the Company interested in obtaining the same. These documents will be available at Registered Office / Corporate Office of the Company and the office of the respective subsidiary companies.

EMPLOYEE STOCK OPTION PLAN

Details required to be provided under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 are set out in Annexure I to this Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Tech Mahindra is committed to play its role as an enlightened corporate citizen and continues to earmark 1.5% of its Profit After Tax (PAT) every year for CSR activities. CSR activities are mainly carried through Tech Mahindra Foundation.

TECH MAHINDRA FOUNDATION (TMF)

TMF was established in its present form in 2007 by Tech Mahindra as one of the major manifestations of its Corporate Social Responsibility. With the contribution from Tech Mahindra, TMF now has a corpus of ₹ 55 Crore as on 31st March 2013. It has disbursed approximately ₹ 43 Crores to more than 70 NGOs over 5 years and impacts more than 50,000 beneficiaries per year through NGO partners across Delhi-Noida, Mumbai, Pune and Bangalore.

TMF seeks to achieve its objectives by working in partnership with outstanding community based NGOs which share its goals and values and have demonstrated competence, dedication and integrity. TMF NGO projects address felt community needs.

Major Achievements:

Since 2007, TMF has worked with more than 100 partners across India, and reached out to the underprivileged through programmes in education, vocational training and disability. This year, we are working on 100+ projects with around 75 partners in 8 locations with a total budget of above ₹ 160 Million; these are Bangalore, Bhubaneswar, Chennai, Delhi-NCR, Hyderabad, Kolkata, Mumbai and Pune.

The work also includes direct implementation programmes that we completely establish, own and manage.

Some of the new flagship programmes in Delhi-NCR this year include:

1. A new 5-year programme with East Delhi Municipal Corporation, where we would set up and run a high-quality education institute for in-service teachers of MCD, and come up with a model lab school - in Dilshad Garden, New Delhi;
2. A new long-term programme with Kasturba Balika Vidyalaya (a government-aided girls school in Friends Colony, New Delhi), where we are first going to transform the existing school infrastructure, and then introduce a variety of school improvement initiatives. We would also eventually build up a primary school, which would be called the Tech Mahindra Primary School in future;
3. School Excellence Award (new) to identify, honour and develop the best municipal corporation primary schools from each of the three MCDs in Delhi;
4. Shikshak Samman Award (in its 5th year in Delhi now) to identify, honour and develop 25 best primary teachers from the 1799 municipal primary schools under MCDs; also introducing the same in partnership with MCGM in Mumbai;
5. Three whole-school adoption programmes in PPP mode with Aseema Trust and Akanksha Foundation in Mumbai.

TMF encourage associates across Tech Mahindra to engage with TMF and volunteer in programmes, something that has always given the young corporate employees to get a feel of the other side of the world. Towards this, TMF makes them a part of some of the programmes – whether it is a short-term event

based engagement, or a long-term continuing association. We think that these programmes have the potential to not just engage the associates in a variety of activities – which would use a range of their skills from painting to graffiti-making, gardening to pottery decoration, singing-dancing and other performing arts to various professional mentoring abilities – but also contribute to long-term, sustained volunteering at Tech Mahindra. This would eventually lead us to achieve the target of ‘at least 10% associates volunteering 10% of their free time in CSR work’.

SUSTAINABILITY

As a part of a responsible business group having a global presence, your Company has taken considerable steps not only in creating “Green” strategies but also making environmental stewardship, a core part of our business strategy that takes accountability for every dimension of social, cultural, economic and environmental governance, creating sustainable value for all its stakeholders.

Your Company has been participating in the Sustainability Reporting of the Mahindra Group since Financial Year 2007-08. During the year under review the 5th Sustainability Report for the year 2011-12 was released. All these reports were in accordance with the latest guidelines of the internationally accepted, Global Reporting Initiative (GRI). This report was assured by KPMG and conforms to the highest level for reporting ‘Sustainability’ performance, which is A+. The report and the performance rating of A+ was checked and confirmed by GRI*. The detailed Group Sustainability Reports are available on the website <http://www.mahindra.com/How-We-Help/Environment/Sustainability-Reports>

In order to take a structured path for reducing its carbon footprint, your Company has a 5 Year Sustainability Road map. We are consciously reducing GHG emissions and waste, as well as conserve water, bio-diversity and natural resources. In the Financial Year 12-13 concerted efforts were made to ensure targets are met over committed time lines in the following thrust area:

1. Save Power Initiative among the employees to reduce power wastage.
2. “No paper day”- To reduce wasteful paper use on one day every month.
3. Tree Plantation drive among the employees on regular basis.
4. Eco-friendly e-waste disposal systems.
5. Occupancy sensors to reduce the electricity consumption.

**GRI is a Netherlands based multi-stakeholder network of experts worldwide, which has pioneered the development of the world's most widely used sustainability reporting framework. United Nations is one of its key stakeholders. This reporting framework sets out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance.*

CORPORATE GOVERNANCE PHILOSOPHY

Your Company believes that Corporate Governance is a voluntary code of self-discipline. In line with this philosophy, it follows healthy Corporate Governance practices and reports to the shareholders the progress made on the various measures undertaken. Your Directors have reported the initiatives on Corporate Governance adopted by your Company in the section 'Corporate Governance' forming part of the Annual Report.

DIRECTORS

Mr. Anupam Puri, Mr. Paul Zuckerman and Mr. Ulhas N. Yargop are directors liable to retire by rotation.

During the year under review, Mr. C. P. Gurnani was appointed as an additional Director and then as Managing Director of the Company w.e.f. 10th August 2012, for a period of five years and Mr. Vineet Nayyar has been appointed as Executive Vice Chairman of the company w.e.f. 10th August 2012 for a period of three years, subject to approval of the members of the company.

During the year under review, consequent to the termination of Shareholders Agreement between Mahindra & Mahindra Ltd. (M&M), British Telecommunications Plc and the Company, Mr. Anand G. Mahindra and Mr. Bharat N. Doshi being nominees of M&M had stepped down as Directors of the Company and they were appointed as additional directors w.e.f. 5th November 2012. The approval of the Members is sought for their appointment as Directors of the Company, at the ensuing annual general meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors, based on the representation received from the Operating Management and after due enquiry, confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii. they have, in the selection of the accounting policies, consulted the Statutory Auditors and these have been applied consistently and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at 31st March 2013 and of the profit of the Company for the year ended on that date;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the annual accounts have been prepared on a going concern basis.

AUDITORS

M/s. Deloitte Haskins & Sells, Chartered Accountants, the Auditors of your Company, hold office up to the conclusion of the forthcoming Annual General Meeting of the Company and have given their consent for re-appointment. The shareholders will be required to elect auditors for the current year and fix their remuneration. Your Company has received a written confirmation from M/s. Deloitte Haskins & Sells, Chartered Accountants to the effect that their appointment, if made, would be in conformity with the limits prescribed under Section 224 of the Companies Act, 1956. The Board recommends the re-appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants as the Auditors of the Company.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

In view of the nature of activities that are being carried on by your Company, Rules 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, concerning conservation of energy and technology absorption, respectively are not applicable to your Company. Your Company being a software solution provider requires minimal energy consumption and every endeavour has been made to ensure the optimal use of energy, avoid wastage and conserve energy as far as possible.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earnings of your Company during the year were ₹ 55,509 Million (Previous Year ₹ 47,074 Million), while the outgoings were ₹ 24,706 Million (Previous Year ₹ 20,834 Million).

During the year under review, 92% of your Company's revenues were derived from exports.

PARTICULARS OF EMPLOYEES

The information required under Section 217(2A) of the Act and the Rules (as amended) made there under, is provided in an Annexure to this Report. However, as per the provisions of Section 219 (1) (b) (iv) of the Companies Act, 1956, the Directors' Report being sent to the shareholders does not include this Annexure. Any shareholder interested in perusing a copy of the Annexure may write to the Company Secretary at the Registered Office / Corporate Office of the Company.

DEPOSITS AND LOANS/ADVANCES

Your Company has not accepted any deposits from the public or its employees during the year under review. The particulars of loans/advances and investment in its own shares by listed companies, their subsidiaries, associates, etc., required to be disclosed in the annual accounts of the Company pursuant to Clause 32 of the Listing Agreement are furnished separately.

AWARDS AND RECOGNITION

Your Company continued its quest for excellence in its chosen area of business to emerge as a true global brand. Several awards and rankings continue to endorse your Company as a thought leader in telecom industry.

Awards for Financial Year 12-13

- Tech Mahindra Americas won the “Corporation of the Year” award for 2012 from Greater Dallas Indo-American Chamber of Commerce in Richardson, Texas.
- Tech Mahindra won the Global Training award from Training, a leading US-based business publication for Learning and Development professionals.
- Tech Mahindra won Aegis Graham Bell Award for ‘A counter-intuitive model to accelerating Cloud Computing adoption by SMEs’ in the category “Innovation in Cloud Service”.
- Tech Mahindra won the Top Telecom Software Company award at CyberMedia ICT Awards 2012.
- Tech Mahindra was one among the winners of the ASTD Best Award.
- Tech Mahindra won AT&T 2013 Supplier Award for helping AT&T deliver outstanding service to its customers during the past year.
- CanvasM won the Aegis Graham Bell Award for Saral Rozgar in the category “Innovative Value Added Services”.
- CanvasM won the CMO Asia – Best CIO Award for use of IT for a social cause.
- CanvasM won the CMO Asia – Best CIO Award for best use of CSR practices in IT industry.
- CanvasM bags the Rural Marketing award from World Brand Congress in the field of “Innovative ideas for Rural Development” for ‘Saral Rozgar’.
- CanvasM won the Special Mention Award at the Manthan Awards South Asia & Asia Pacific 2012 under the category e-Financial Inclusion & Livelihood.
- Comviva - a recent acquisition of Tech Mahindra was awarded its first ever World Communication Award in the category “Best New Service” for its mobility@mTicketing services to Bangladesh Railways in collaboration with Grameenphone and Banglalink.
- Comviva Won Golden Peacock Award 2012 for Managed VAS Services - The Golden Peacock Innovation Award is an annual award introduced by India’s Institute of Directors in 1991. The awards are considered to be the greatest form of recognition for corporate excellence in areas of innovation, quality, training, governance, environment management and corporate social responsibility.

ACKNOWLEDGEMENTS

Your Directors gratefully acknowledge the contributions made by employees towards the success of your Company. Your Directors are also thankful for the co-operation and assistance received from its customers, vendors, bankers, regulatory and Governmental authorities in India and abroad and its shareholders.

For and on behalf of the Board

Place: Mumbai
Date: 21st May, 2013

Anand G. Mahindra
Chairman

Particulars of loans/advances and investment in its own shares by listed companies, their subsidiaries, associates, etc., required to be disclosed in the annual accounts of the Company pursuant to Clause 32 of the Listing Agreement.

Loans and advances in the nature of loans to subsidiaries:

(₹ in Million)

Name of the Company	Balance as on		Maximum outstanding during the year ended on	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Tech Mahindra (Nigeria) Limited	109	51	109	53

Loans and advances in the nature of loans to associates, loans and advances in the nature of loans where there is no repayment schedule or repayment beyond seven years or no interest or interest below Section 372A of the companies Act, 1956 and loans and advances in the nature of loans to firms/companies in which directors are interested – Nil

Annexure I

Disclosure as required under SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as on March 31, 2013

Particulars	ESOP 2000	ESOP 2004	ESOP 2006	ESOP 2010
Total options granted under the plan	4,274,350	10,219,860	6,750,530	2,293,500
a) Options Granted during the year	Nil	Nil	116,000	10,000
b) The Pricing Formula	Under the scheme, all options were granted prior to the listing of the Company's shares. These options were granted, based on the annual valuation done by an independent Chartered Accountant. The grants made post listing of the Company's shares on Stock Exchange have been made as per the latest available closing price on the Stock Exchange with the highest trading volume, prior to the date of the meeting of the Compensation & Nominations Committee in which options were granted.	Under the scheme, all options were granted prior to the listing of the Company's shares. These options were granted, based on the annual valuation done by an independent Chartered Accountant.	Under the scheme, all options were granted prior to the listing of the Company's shares. These options were granted, based on the annual valuation done by an independent Chartered Accountant. The grants made post listing of the Company's shares on Stock Exchange have been made as per the latest available closing price on the Stock Exchange with the highest trading volume, prior to the date of the meeting of the Compensation & Nominations Committee in which options were granted.	Under the scheme, all options were granted at face value of the shares.
c) Options vested as of 31 st March 2013	131,120	2,235,134	571,225	1,189,404
d) Options exercised during the year	14,200	Nil	512,490	105,792
e) The Total number of shares arising as a result of exercise of options	14,200	Nil	512,490	105,792
f) Options lapsed/cancelled during the year	41,470	Nil	243,568	15,834
g) Variation of terms of options during the year	No variation	No variation	No variation	No variation
h) Money realised by exercise of options during the year	9,878,150	Nil	57,274,215	1,057,920
i) Total Number of Options in force	392,830	2,235,134	1,291,825	2,166,874
j) Employee-wise details of options granted to:				
i. Senior Managerial Personnel	Nil	Nil	Nil	Nil
ii. Any other employees who receives a grant in any one year of options amounting to 5% or more of options granted during that year	Nil	Nil	Mr. Ayon Banerjee - 75,000 Mr. Samit Soni - 33,000 Mr. Satheesh Kumar Simhachalam - 8,000	Mr. Samit Soni - 10,000

Disclosure as required under SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as on March 31, 2013

Particulars	ESOP 2000	ESOP 2004	ESOP 2006	ESOP 2010
iii. Identified employees who were granted option, during any one year, equal or exceeding 1% of the issued capital (excluding outstanding options and conversions) of the Company at the time of grant	Nil	Mr. Vineet Nayyar - 3,406,620 Mr.C.P. Gurnani - 3,406,620 *Mr. Sanjay Kalra - 3,406,620	Nil	Nil
k Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard AS 20 (₹)	48.99	48.99	48.99	48.99
l Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed	The Company uses the intrinsic value based method of accounting for stock options granted after 1 st April 2005. Had the compensation cost for the Company's stock based compensation plan been determined in the manner consistent with the fair value approach, the Company's net income would be lower by ₹ 69.86 Million and earnings per share (Basic) would have been ₹ 50.56	The Company uses the intrinsic value based method of accounting for stock options granted after 1 st April 2005. Had the compensation cost for the Company's stock based compensation plan been determined in the manner consistent with the fair value approach, the Company's net income would be lower by ₹ 69.86 Million and earnings per share (Basic) would have been ₹ 50.56	The Company uses the intrinsic value based method of accounting for stock options granted after 1 st April 2005. Had the compensation cost for the Company's stock based compensation plan been determined in the manner consistent with the fair value approach, the Company's net income would be lower by ₹ 69.86 Million and earnings per share (Basic) would have been ₹ 50.56	The Company uses the intrinsic value based method of accounting for stock options granted after 1 st April 2005. Had the compensation cost for the Company's stock based compensation plan been determined in the manner consistent with the fair value approach, the Company's net income would be lower by ₹ 69.86 Million and earnings per share (Basic) would have been ₹ 50.56

* Resigned w.e.f. 15th September 2010

Disclosure as required under SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as on March 31, 2013

Particulars	ESOP 2000	ESOP 2004	ESOP 2006	ESOP 2010
m) Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Nil Nil Nil	Nil Nil Nil	23-May-2012 618.00 325.32	23-May-2012 10.00 592.48
n) A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following Weighted-average information :	Nil	Nil	23-May-2012	23-May-2012
I. Risk Free Interest Rate	Nil	Nil	8.32%	8.23%
II. Expected Life (Yrs.)	Nil	Nil	5.25	3.50
III. Expected Volatility	Nil	Nil	50.66%	46.10%
IV. Expected dividends	Nil	Nil	0.55%	0.55%
V. The Price of the underlying share in market at the time of the option grant (₹)	Nil	Nil	611.60	611.60

MANAGEMENT DISCUSSION AND ANALYSIS

Company Overview

Tech Mahindra Limited (Tech Mahindra) is a leading provider of IT Services, Networking Technology Solutions and Business Support Services to the global telecommunications industry. Formed in 1986, in partnership with British Telecommunications plc (BT), it is part of the US \$15.9 billion Mahindra Group. In the year 2009 it expanded its IT portfolio by acquiring the leading global business and information technology services company, Satyam Computer Services Ltd. (re-branded as Mahindra Satyam). In the previous year on 21st March 2012, the merger between Tech Mahindra and Mahindra Satyam was announced thus making way for the creation of a leading services organization in the Indian IT offshore landscape. Tech Mahindra received approval for merger of Mahindra Satyam with it from the Bombay High Court on 28th September 2012. Mahindra Satyam 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. Hearing in the matter is concluded before the Honorable High Court of Andhra Pradesh closed for summer vacation & the order is awaited.

Tech Mahindra has garnered revenues of ₹ 68.7 Billion (US\$ 1,263 Million) in Financial Year 2012-2013 (FY13). The Company has over 47,500 professionals who provide a unique blend of domain expertise and in-depth technology skill-sets.

Tech Mahindra has proven domain expertise in the Telecom domain with differentiated skills, research & development capabilities and innovative delivery models. The Company's solutions enable its clients to maximize returns on their investments, achieve faster time-to-market, reduce total cost of ownership and provide better customer experience. Its capabilities cover a wide array of services including System Integration (SI), Managed Services (MS), Operations Support Systems (OSS), Business Support Systems (BSS), Infrastructure Management Services (IMS), Network Services, Security Consulting, Product Engineering and Business Support Services (BSG/BPO). The Company has been focusing on delivering comprehensive services to Telecom Service Providers (TSPs), Telecom Equipment Manufacturers (TEMs) and Independent Software Vendors (ISVs) and is best positioned to leverage telecom IT outsourcing opportunities through its service offerings across the Telecom value chain. It has more than 150 active client engagements, predominantly in the Telecom Sector. Tech Mahindra's achievements have been recognized by various industry analysts, forums and clients. The organization has also won several prestigious awards and accolades. Tech Mahindra has principal offices in the UK, United States, Germany, UAE, Egypt, Singapore, India, Thailand, Taiwan, Malaysia, Philippines, Canada and Australia. The Company has an extensive global foot print with 17 sales offices and 15 delivery centres in more than 31 countries around the world.

Industry Structure & Development

As per the NASSCOM Strategic report 2013, the global spend on Technology and related services for Calendar Year (CY) 2012 was US\$ 1.9 trillion a growth of 4.8% over CY 2011. IT, BPM services and software products continued to lead, accounting for over USD 1 trillion – 58% of the total IT spend. IT hardware with growth rate of ~7%; touched USD 797 billion and accounted for the remaining 42% of the worldwide technology spend in 2012. With persistent uncertainties the new role of the technology sector in general is to enhance customer capabilities, help open untapped markets, drive transformation and create a positive impact on business outcomes.

Information Technology (IT) is the very essence of the telecommunication industry. New technologies, new business models, new smart phones and increasing data usage have increased the telecom industry's dependence on IT. All along Telco's have to deal with increasing competition, investment in Capex and declining margins. The challenge for Telco would be to balance the ever-increasing need for sophisticated IT with the need to help keep the IT costs reasonable. The size of India IT industry including domestic IT and Hardware would be ~USD 108 billion in FY13 of which exports would be ~USD \$76 billion. Hi Tech / Telecom would have a share of ~18% of the India IT industry's exports. Tech Mahindra would be one of the largest Telecom software services company in India.

For Indian IT FY 2013 has been a year of transition and transformation. Strong economic growth, rapid advancement in technology infrastructure, increasingly competitive Indian organizations, enhanced focus by the government and emergence of business models that help provide IT to new customer segments are key drivers for increased technology adoption in India.

The IT BPM sector has been one of the highest impact sector for India and it has increased its share of contribution to India's GDP by ~3 times in the last 10 years. As a proportion of national GDP, the sector revenues have grown from 1.2% in FY1998 to ~ 8% in FY2013. The total exports share is ~24% which grew more than 5 times in the last 10 years. Expansion in new verticals and geographies, SMAC based services, transformation and innovation and business model restructuring were the key business drivers. Increased acceptance of platform BPM solutions was the key highlight as the focus was on transforming client business through a mix of re-engineering skills, technology enablement and new service delivery models.

Globally, India has been accepted as one of the disruptive forces in the IT BPM market, growing over CAGR of 25% during FY 2000 – 2013, four times higher than the global IT BPM spend during the same period. The Indian IT-BPM industry has maintained

its global leadership not only due to its inherent strengths of competitive cost and talent, but also due to the fact that it has kept evolving to suit the rapidly changing client requirements. Pricing models have been shifting from traditional effort based to outcome based, also there has been emphasis on driving non-linearity.

The industry has seen a shift towards smaller deals. The fluctuating economic conditions have an indelible impact on the global IT BPM ecosystem. Client budgets have been under pressure which in turn has led to them signing up for small deals, of lesser duration. Line of business owners are going ahead with their but focused requirements. The trend signifies growing maturity of model and hence higher risk taking initiatives by clients. From around three lakh employee base in FY 2000, the industry presently employs nearly three Million people with over 580 global delivery centers in nearly 75 countries and its differentiated growth trajectory, the industry has become poster child for other sectors.

As a result of consumerisation of connected smart devices, consumer behaviour has caused an evolution and convergence of four powerful forces: Social Media, Mobility, Analytics and Cloud (SMAC). SMAC has re-oriented the business model of traditional IT-BPM firms, by shifting focus from cutting costs and managing IT infrastructure, to a move towards creative solutions that help clients' business grow.

Outlook

In the coming year; fiscal consolidation is likely to weigh on growth in the advanced economies. According to IMF the global economy is expected to continue mending gradually. In its April 2013 report, IMF expected the real global GDP growth of 3.3%, which is about the same as the 3.2% growth seen in year 2012. It mentions that for USA the private demand though has been showing strength as credit and housing markets heal; the larger-than-expected fiscal adjustment is projected to keep real GDP growth to about 2% in 2013. In the euro area, IMF expects the real GDP to contract by about 0.25% in 2013. Growth in emerging market and developing economies is expected to remain robust, strengthening from about 5% in 2012 to 5.25% in 2013 and 5.75% in 2014.

On IT spend trend, the budgetary tightening has led to smaller IT budgets translating to smaller deal sizes, and reduction in certain existing business lines and market segments. However, there is a clear delinking of overall IT-BPM spending with respect to economic turmoil in the past few years, and this has been fuelled by rising consumerisation of the enterprise segment, which has in turn, meant a lot for clients – it has led to increased competition, with players leveraging new forms of services to create a differentiating factor. It has also led to change management issues, and both these areas have been effective sources of new business for existing and new IT-BPM organizations. New areas such as mobile, social, cloud and analytics is increasingly driving technology spending, and will emerge as mainstays as this decade progresses further.

The global telecom services market is expected to remain roughly flat over the several years, with declining spending on voice services and fixed services data counterbalanced by strong growth in spending on mobile data services. Devices remain the fastest-growing segment in the IT industry, as sustained strong demand for Smartphone's and tablets is expected to overcompensate for stalling PC sales. In 2013, total spending on PCs, tablets, mobile phones and printers is expected to reach \$718 billion, up 9% from 2012.

Mobility continues to grow with focus on bandwidth increases (4G/LTE) and complimentary devices. Spectrum availability and capital requirement for advanced technologies is a growing concern. The most important events in 2013 will cluster around growth and innovation, built on mobile devices, cloud services, social technologies and Big Data. IT spend in 2013 is expected to exceed \$2.1 trillion, up 5.7% from 2012, driven by double-digit growth in the Three Platform foundations of Mobile, Cloud, Big Data and social technologies – and by emerging markets growth. Mobile devices are the new primary design point for end user access. Sale of smart mobile devices (smart phones and tablets) will surge. The real "PC versus mobile device" battle is between PC software platform and the mobile device platform.

As cloud services become the center of competition in many IT market segments, it is critically important for traditional IT suppliers to get more "cloud DNA" into their organizations and top accelerate growth of cloud service platforms. The industry is trending towards BYOD – Bring Your Own Device. BYOD will bring consumerization into enterprise security. Growth is exponential in this area but uncertain tax, legal and security issues are still a concern. Businesses will struggle with enterprise social network sprawl as more businesses move from experimentation to integration — dealing with more enterprise products having embedded ESNs — while employees are increasingly reluctant to give up their favorite consumer and departmental social network tools for the corporate IT sponsored ESN.

Big Data Investment, M&A focus will shift heavily to discovery and prediction. The "digital universe" is expected to expand by almost 50% given the rapid emergence of new data capture and generation technologies and solutions. The growing focus is on technologies that incorporate advanced analytics functionality, including predictive analysis.

Opportunities

Cross Selling of offerings

Having announced the formal merger process between Tech Mahindra and Mahindra Satyam (MSAT) in March 2012; both the companies have been working even more closely with each other on business opportunities arising out of the cross selling of offerings between the two companies. There have been encouraging number of wins at the back of leveraging each other capabilities and individual Company's strengths viz MSAT's Enterprise services offerings for Tech Mahindra clients and managed services offerings of Tech Mahindra into MSAT's clients.

Growth in Emerging Markets

Telecom is still a growth industry in most regions of the world, particularly for the mobile sector. China, India and Brazil presents the greatest growth opportunities in telecom. Mobile handset data and fixed and mobile broadband will be the most important revenue growth areas, driven by higher data usage and increased penetration of Smartphone's and broadband services. Mobile voice revenue can also grow in some of emerging markets because many countries still have unserved customers. The emerging market regions of Africa, Asia, Eastern Europe, Middle East, and Latin America continue to be a growth opportunity for telecom service providers. Because of their oversized share of IT industry growth, emerging markets — with their massive scale and demanding economics — will increasingly reshape worldwide design points, pricing, and market leadership.

Increased scope of outsourced activities

Access to talent and cost optimization is the key drivers for outsourcing. Telecom service providers are adopting several outsourcing strategies to benefit from off shoring. One of the trends is services which traditionally were done in-house are now being included in the scope of global sourcing. Outsourcing models are changing driven by new technologies, reinvented business model, new buyer segments and solutions for emerging markets. In the network domain, network outsourcing provides an opportunity for wide range of services like field services, maintenance & support, E2E implementations and network infrastructure management. Managed services deals to cover network legacy systems have been tried in the mature markets and a similar trend will continue for the coming years.

Adoption of Next Generation Technologies

The Indian telecommunication companies are adopting new avenues like mobile Value Added Services (mVAS), cloud and data center services which in turn are providing ample opportunities to IT companies. The declining revenue share from the voice business has prompted many players to focus on MVAS opportunities. Indian MVAS market is expected to move from the traditional SMS based services to internet based and application based services. Data services, broadband, content, and applications such as mobile banking which are still in their infancy are set to be central to maintaining the growth momentum for the industry going forward. Service offerings are expanding to knowledge services – driven by increasing demand for analytics, software testing – new revenue streams from testing for mobility/cloud, etc., R&D – driven by connectivity, convergence and digitization, and IS outsourcing.

Threats

Reduction in Telecom Spend

Although there has been some respite on Global growth it is still not out of woods with Euro Issues and US Fiscal

deficit being a cause of concern. Most of the companies are adapting and to the increased volatility. Existing customers are commanding pricing power by lowering costs and increasing volumes. Though cash-rich, telecom companies have turned cautious due to the challenging macroeconomic environment. The decision cycles on new discretionary spend are still prolonged. The service providers continue to focus on reducing costs by adopting measures such as optimizing IT Spend and postponing investments. Such cost-saving measures could have an adverse impact on outsourcing.

Global IT companies posing challenge with growing India presence

Global IT service providers such as Accenture, HP, Cap Gemini and IBM are expanding their presence in India and pose a challenge to Indian IT service companies with their global client relationships, deep pockets and domain knowledge.

Risks

Impact of Immigration Bill

The proposed visa reforms - as a part of the larger immigration bill, in USA, potentially could be not only just a cost issue but also a revenue issue. As per the "Outplacement Provision" in the Immigration Bill the new H1/L1 visa holders cannot work at client sites. This prohibitive provision will affect delivery/execution in turn potentially impacting the onsite revenues. Other issues pertaining are the visa application fees, employee eligibility, minimum wage payable requirement as defined by location/role and their likely impact on costs.

Although the Immigration Bill is in early stages, it's impact will be on Indian Offshore vendor including Tech Mahindra. Given the lower onsite percentage of revenues as compared to some of its peers, Tech Mahindra will have a lesser impact. Also the company has development centers in US and has been doing local hiring for some of the jobs. Further it has been engaging sub contractors for some of skilled work in USA. In case the Bill comes in to effect in as it is format, it will increase cost of delivery in USA. Company is in discussion with its clients and exploring if some of the incremental costs can either be passed on to clients or offset through greater offshoreability. If this Bill is passed in its current form all Indian IT companies are likely to have an adverse impact.

High customer concentration

In FY 2013, revenues from the leading client, top 5 and top 10 clients account for 30%, 70% and 81% respectively. Though customer concentration has been declining over the years, loss of any of these clients could have a material adverse impact on our revenue and profitability. After Mahindra Satyam's proposed merger with the Company the customer concentration will reduce significantly.

Withdrawal of tax benefits

In the past we benefited from certain income tax incentives under Section 10A of the Income Tax Act (for the IT services

that we provide from specially designated "Software Technology Parks" or STPs) and also from Section 10AA of the Income Tax Act (for the IT services we render from units set up in SEZs). As a result of these incentives, our operations in India have been subject to relatively low tax liabilities. The income tax benefits available to STP units have been discontinued from 1st April 2011. As this withdrawal was foreseen, the Company decided to set up facilities in SEZ units at various locations, as the units set up in SEZ area would continue to provide us with tax benefits similar to those in STPs. We commenced operations in SEZ units at Hinjewadi Pune, Chennai, Kolkata, Chandigarh and Noida. But despite this, tax incidence will increase over the previous years due to withdrawal of Section 10A benefits. In addition, there is no assurance that the Indian government will not enact laws in the future that would adversely impact tax incentives further and consequently, our tax liabilities and profits. When our tax incentives expire or are terminated, our tax expense will materially increase, reducing our profitability.

Exchange Rate Risks

The exchange rate between the Indian rupee and the British pound and the rupee and the U.S. dollar has fluctuated widely in last year and may continue to fluctuate significantly in the future. The average value of the rupee as on March 31, 2013 against the British pound appreciated by approximately 13% and against U.S. dollar by approximately 14% over March 31, 2012. Accordingly, our operating results have been and will continue to be impacted by fluctuations in the exchange rate between the Indian rupee and the British pound and the Indian rupee and the U.S. dollar, as well as exchange rates with other foreign currencies. Any strengthening of the Indian rupee against the British pound, the U.S. dollar or other foreign currencies, as witnessed in the last year, could adversely affect our profitability.

M&A and Integration risk

During the year Tech Mahindra strengthened its BSG/BPO and VAS service portfolios through acquisition. In September 2012 Tech Mahindra acquired 100% stake in Hutchison Global Services Ltd. (HGS) (erstwhile Hutchison Global Services Pvt. Ltd.) HGS provides customer lifecycle operations to clients in UK, Ireland and Australia and had an associate base of over 11,500 employees as of September 2012. In the same month Tech Mahindra agreed to acquire 51% stake in Comviva Technologies Ltd., a Bharti Group Company a global leader in providing mobile Value Added Services (VAS), Mobile Money and Mobile Payment solutions. The acquisitions by nature involve risks relating to failure to achieve strategic objectives, cultural and financial integration etc. Acquisition and M&A has not been new to the Company, The Company has a well laid out plan and a defined acquisition policy. Tech Mahindra has a dedicated and focused team led by Top leadership. Company not only does regular internal assessments of risk and monitors the performance of the acquired entity but also focuses on its successful integration with the parent company. The aforesaid acquisitions for Tech Mahindra have worked well in FY13 and are in line with its expectations.

Discussion on Financial Performance with respect to Operational Performance

Overview

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India.

The Consolidated financial statements have been prepared in compliance with the Accounting Standard AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India (ICAI).

The discussion on financial performance in the Management Discussion and Analysis relate primarily to the stand alone accounts of Tech Mahindra Limited. Wherever it is appropriate, information pertaining to consolidated accounts for Tech Mahindra Limited & its subsidiaries is provided. For purpose of comparison with other firms in this industry as well as to see the positioning and impact that Tech Mahindra Limited has in the marketplace, it is essential to take the figures as reflected in the Consolidated Financial Statements.

A. STANDALONE FINANCIAL POSITION

1. Share Capital

The authorized share capital of the Company is ₹ 1,750 Million, divided into 175 Million equity shares of ₹ 10 each. The paid up share capital stands at ₹ 1,281 Million as on 31st March 2013 compared to ₹ 1,275 Million on 31st March 2012. The increase in paid up capital during the year is due to conversion of options into shares by employees under Employee Stock Option Plan.

2. Reserves and surplus

a) Share premium account

The addition to the share premium account is ₹ 126 Million during the year, out of which ₹ 62 Million is due to the premium received and ₹ 64 Million due to transfer from share options outstanding amount, on issue of 632,482 equity shares on exercise of option under stock option plan.

b) General reserve

General reserve stands at ₹ 6,451 Million on 31st March 2013 as compared to ₹ 5,451 Million on 31st March 2012. ₹ 1,000 Million were transferred from profit and loss account as compared to ₹ 1,000 Million in previous year.

c) Statement of Profit and loss

The balance retained in the Statement of profit and loss as of 31st March 2013 is ₹ 27,495 Million compared to ₹ 24,068 Million as of 31st March 2012.

3. Borrowings

Borrowings as on 31st March 2013 stand at ₹ 11,045 Million including ₹ 3,000 Million of long term borrowings and short term borrowings of ₹ 8,045 Million, compared to ₹ 11,266 Million including ₹ 6,000 Million of long term borrowings and ₹ 5,266 short term borrowings as on 31st March 2012.

4. Fixed Assets

The movement in Fixed Assets is shown in the table below.

₹ in Million		
As of 31 st March	2013	2012
Gross Book Value		
Land		
- Freehold	175	175
- Leasehold	678	678
Buildings	5,358	4,680
Leasehold Improvements	758	887
Plant and Equipment	3,074	2,575
Computers	2,833	2,517
Office Equipments	552	499
Furniture and Fixtures	2,048	1,685
Vehicles - Leased	-	-
Vehicles - Owned	48	59
Intangible Assets	275	214
Total	15,799	13,969
Less: Accumulated Depreciation & Amortization	8,598	7,443
Net Block	7,201	6,526
Add: Capital work-in-progress	284	1,627
Net Fixed Assets	7,485	8,153

The Net Block of Fixed Assets and Capital Work in Progress decreased to ₹ 7,485 Million as on 31st March 2013, as against ₹ 8,153 Million as at 31st March 2012. During the year, the Company incurred capital expenditure (gross) of ₹ 2,263 Million (previous year ₹ 2,039 Million). The major items of Capital Expenditure included Office building, Plant and Machinery, Computer equipments and Furniture & Fixtures.

5. Investments

The summary of Company's investments is given below:

₹ in Million		
Investments	As at 31 st March 2013	As at 31 st March 2012
Investment in Subsidiaries	38,421	31,685
Investment (others)	93	86
Total Investments	38,514	31,771
Less : Provision for diminution of value	439	439
Net Investments	38,075	31,332

I. Investment in Subsidiaries

The Company had investment in the following subsidiaries:

a) Tech Mahindra (Americas) Inc. (TAI)

TAI was incorporated in November 1993 to provide marketing support services for the USA and Canada region. It acts as a service provider for sales, marketing, onsite software development and other related services.

b) Tech Mahindra GmbH

Tech Mahindra GmbH was established in July 2001 to provide marketing support in central Europe region.

c) Tech Mahindra (Singapore) Pte. Limited

Formed in 2002, Tech Mahindra (Singapore) Pte. Limited is Tech Mahindra's representative in Singapore and acts as a service provider for sales, marketing, onsite software development and other related services.

d) Tech Mahindra (Thailand) Limited

Tech Mahindra (Thailand) Limited was established in August 2005 to strengthen its marketing infrastructure in Thailand.

e) PT Tech Mahindra Indonesia

PT Tech Mahindra Indonesia, established in 2006, is Tech Mahindra's representative in Indonesia and acts as a service provider for sales, marketing, onsite software development and other related services.

f) CanvasM Technologies Limited (CanvasM)

CanvasM, set up in July 2006, is a wholly owned subsidiary of Tech Mahindra Limited. CanvasM is set up to provide software services and solutions to wire line and wireless telecom service providers, cable companies, enterprise, media and broadcast companies, using SI expertise of Tech Mahindra. Pursuant to Scheme of Amalgamation approved by shareholders and filed with the High Courts, CanvasM will be merged with the Company on approval of the merger Scheme. The Hon'ble Bombay High court have approved the merger scheme on 28th September 2012, approval from the Hon'ble Andhra Pradesh High court is awaited.

g) CanvasM (Americas) Inc.

CanvasM (Americas) Inc. was incorporated in September 2006, as step down wholly owned subsidiary of CanvasM Technologies Limited to

provide software services and solutions. During the year it was merged with Tech Mahindra (Americas) Inc.

h) Tech Mahindra Foundation (TMF)

TMF was promoted by Tech Mahindra Limited as Section 25 Company, in 2006, with the objective of promoting social and charitable activities. TMF primarily concentrates on rendering assistance to the needy and under privileged people in the society. All the CSR initiatives of the Company are carried through TMF.

i) Tech Mahindra (Malaysia) Sdn. Bhd.

Tech Mahindra (Malaysia) Sdn. Bhd. was established in May 2007 as Tech Mahindra's representative in Malaysia. It acts as a service provider for sales, marketing, onsite software development and other related services.

j) Tech Mahindra (Beijing) IT Services Limited

Tech Mahindra (Beijing) IT Services Limited was established in December 2007 to strengthen its marketing capabilities in China.

k) Venturbay Consultants Private Limited (VCPL)

VCPL became wholly owned subsidiary of the Company in March 2009. It was acquired to act as a special purpose vehicle (SPV) to bid for the acquisition of Satyam Computer Services Limited (Mahindra Satyam). It emerged as the highest and successful bidder in the global competitive bidding process and has since acquired 42.67% shares of Mahindra Satyam. The Company has invested ₹ 30,461 Million in VCPL. Pursuant to scheme approved by shareholders and filed with the High Courts, VCPL will be merged with the company on approval of the merger Scheme. The Hon'ble Bombay High court has approved the merger scheme on 28th September 2012,. The approval from the Hon'ble Andhra Pradesh High court is awaited.

l) Mahindra Logisoft Business Solutions Limited (MLBSL)

Mahindra Logisoft became wholly owned subsidiary of the Company in April 2009. It was acquired to augment software development capabilities in the area of Infrastructure support and dealer management. Pursuant to scheme approved by shareholders and filed with the High Courts, MLBSL will be merged with the company on approval of

the merger Scheme. The Hon'ble Bombay High court has approved the merger scheme on 28th September 2012. The approval from the Hon'ble Andhra Pradesh High Court is awaited.

m) Tech Mahindra (Nigeria) Limited

Tech Mahindra (Nigeria) Limited was incorporated in August 2009 as Tech Mahindra's representative in Nigeria. It acts as a service provider for sales, marketing, onsite software development and other related services.

n) Tech Mahindra (Bahrain) Limited (SPC)

Tech Mahindra (Bahrain) Limited (SPC) was incorporated in November 2009 to provide sales, marketing and account management support to customers in and around Bahrain. It acts as a service provider for sales, marketing, onsite software development and other related services.

o) Tech Mahindra Brasil Servicos De Informatica LTDA

Tech Mahindra Brasil Servicos De Informatica LTDA was incorporated in July 2010 as a wholly owned subsidiary of your Company to provide sales, marketing and account management support to customers in and around Latin America. This subsidiary was closed in December 2012 as Mahindra Satyam has a subsidiary in Brazil & the merger process is at fairly advanced stage.

p) Tech Talenta Inc. (TTI)

TTI was formed in March 2012, to carry on business of recruitment, fulfilment and ongoing management of local temporary contractor resources in the areas of IT Development, Product Engineering and IT Systems Support Operations. TTI is a wholly owned subsidiary of Tech Mahindra (Americas) Inc.

q) Hutchison Global Services Limited (HGS)

Tech Mahindra Limited (TML) bought the entire stake in Hutchison Global Services Ltd. (HGS) held by Hutchison 3 Global Services Holdings Limited in September 2012 thereby making the Company as a wholly owned subsidiary of TML. HGS is one of India's largest international telecom BPOs. It is a leading provider of solutions and services to the telecommunications industry and provides end-to-end CRM (Customer Relationship Management) solutions for the advanced 3G (3rd Generation) network in the UK and Ireland, as well as Vodafone in Australia.

r) Comviva Technologies Limited (Mahindra Comviva)

Your company acquired 51% stake on a fully diluted basis in Mahindra Comviva, a Bharti Group Company, in December 2012. Mahindra Comviva is a global leader in providing mobile Value Added Services (VAS), Mobile Money and Mobile Payment solutions. It has an extensive portfolio of solutions spanning mobile money and payments, mobile data, integrated messaging, mobile lifestyle and customer life cycle management solutions. Comviva's solutions are deployed with over 130 service providers and banks in over 90 countries across Asia, Africa, Middle East, Latin America and Europe, and powers services to more than a billion mobile subscribers. As on 31st March 2013, TML holds 55.67% of the paid-up Equity Capital of the Company.

s) Tech Mahindra South Africa (Pty) Limited

TML has entered into a Joint Venture (JV) in Africa with Falcorp Technologies (Pty) Limited thereby purchasing 51% stake in Next Level Technologies Proprietary Limited. Subsequently the name of the Company has been changed to Tech Mahindra South Africa (Pty) Limited with effect from March 2013. The Company will be a Level 3 Broad-Based Black Economic Empowered (B-BBEE) company. This subsidiary will provide a full range of network and mobility offerings inclusive of design, building, implementing and support for the telecoms sector in the local and African ICT sector. The offering of analytics for any business application including mobility, cloud and security solutions also forms part of its NMACS (Network, Mobility, Analytics, Cloud, Security) strategy.

II. Investment in liquid mutual funds

The Company has been investing its temporary surplus in various mutual funds. These are typically investments in short-term/liquid funds to gainfully use the excess cash balance with the Company. There are NIL investments in liquid mutual funds as at 31st March 2013 (previous year ₹ 1,203 Million).

6. Deferred Tax Asset

Deferred tax asset as at 31st March 2013 was at ₹ 944 Million as compared to ₹ 820 Million as of 31st March 2012. Deferred tax assets represent timing differences in the financial and tax books arising from depreciation of assets, provision for debtors and leave encashment & gratuity. The Company assesses the likelihood that the

deferred tax asset will be recovered from future taxable income before carrying it as an asset.

7. Sundry Debtors

Sundry debtors increased to ₹ 13,725 Million (net of provision for doubtful debts amounting to ₹ 561 Million) as of 31st March 2013 from ₹ 12,431 Million (net of provision for doubtful debts amounting to ₹ 458 Million) as of 31st March 2012. Debtor days as of 31st March 2013 (calculated based on per-day sales in the last quarter) were 95 days, compared to 97 days as of 31st March 2012.

8. Cash and Bank Balance

The bank balances include both Rupee accounts and foreign currency accounts. The bank balances in overseas current accounts are maintained to meet the expenditure of the overseas branches and overseas project-related expenditure.

₹ in Million

As of 31 st March	2013	2012
Bank balances in India & Overseas		
- Current accounts	2,693	1,374
- Deposit accounts	18	15
Total cash and bank balances*	2,711	1,389

* Including unrealised (gain) / loss on foreign currency.

9. Loans and Advances

Loans and advances as on 31st March 2013 were ₹ 7,806 Million compared to ₹ 6,088 Million as on 31st March 2012. Significant items of loans and advances include payments towards rent/lease deposits, finance lease receivables, fair value of foreign exchange forward and currency option contracts and advance income tax.

10. Liabilities and Provisions

Liabilities and provisions were ₹ 19,712 Million as of 31st March 2013 including long term liabilities and provision of ₹ 3,962 Million and short term / current liabilities and provisions of ₹ 15,750 Million compared to ₹ 17,918 Million including long term liabilities and provision of ₹ 6,015 Million and short term / current liabilities and provisions of ₹ 11,903 Million as of 31st March 2012.

B. RESULTS OF OPERATIONS

The following table sets forth certain income statement items as well as these items as a percentage of our total income for the periods indicated:

Particulars	Fiscal 2013		Fiscal 2012**	
	₹ (In Million)	% of Total Income	₹ (In Million)	% of Total Income
Income				
Revenue from Services	60,019		52,430	
Other Income	(952)		677	
Total Income	59,067	100.00%	53,107	100.00%
Expenditure				
Personnel Cost	25,138	42.56%	22,625	42.60%
Subcontracting Expenses	15,524	26.28%	12,528	23.59%
Operating and Other Expenses	7,573	12.82%	8,968	16.89%
Depreciation	1,570	2.66%	1,505	2.83%
Interest	1,090	1.85%	1,025	1.93%
Total Expenditure	50,895	86.16%	46,651	87.84%
Profit before tax and exceptional items	8,172	13.84%	6,456	12.16%
Provision for Taxation	1,647		1,171	
Profit after taxation and before exceptional item	6,525	11.05%	5,285	9.95%
Exceptional items	-		(679)	
Net Profit for the year	6,525	11.05%	4,606	8.67%

1. Revenue

The Company derives revenue principally from technology services provided to clients in the telecommunications industry.

The revenue increased by 14.5% to ₹ 60,019 Million in fiscal 2013 from ₹ 52,430 Million in fiscal 2012. This reflected an increase in the number of clients served during the respective years as well as an increase in the amount of business from these clients and currency benefit.

Consolidated Revenue

Consolidated Revenue for the fiscal 2013 stood at ₹ 68,731 Million compared to ₹ 54,897 Million last fiscal, a growth of 25.2%.

Consolidated revenue by Geography

Revenue from Europe as a percentage of total revenue was 45% in fiscal 2013 compared to 47.1% in fiscal 2012. Revenue from the Americas was 33.2% in fiscal 2013 compared to 34.3% in fiscal 2012 while the share of revenue attributable to the Rest of the World (including India) segment was 21.8% in fiscal 2013 compared to 18.6% in the previous year.

Consolidated Revenue by Segment

For fiscal 2013, 75.3% of revenue came from Telecom Service Providers (TSP) segment, 6.1% from Telecom Equipment Manufactures (TEM), 15.5% came from Business Support Group (BSG)(BPO) segment while 3.1% from others. The revenue share in fiscal 2012 from TSP, TEM, BPO and Others segment was 80.6%, 6.6%, 9.7% and 3.1% respectively.

2. Other Income

Other income includes interest income, dividend income, profit on sale of current investments, foreign exchange gain/loss and sundry balances/provisions written back.

Interest income mainly consists of interest received on bank deposits. Dividend income includes dividend received on long term investments as well as that received on current investments. Exchange gain/loss consists of mark to market gain/loss on ineffective hedges, realized gain/loss and revaluation gain/loss on translation of foreign currency assets and liabilities. Other income is at ₹ (952) Million in fiscal 2013 compared to ₹ 677 Million in fiscal 2012.

3. Expenditure

Particulars	FY 2012-13		FY 2011-12**	
	₹ (In Million)	% of Total Income	₹ (In Million)	% of Total Income
Personnel Cost	25,138	42.56%	22,624	42.60%
Subcontracting Expenses	15,524	26.28%	12,528	23.59%
Operating and Other Expenses	7,573	12.82%	8,969	16.89%
Depreciation	1,570	2.66%	1,505	2.83%
Interest	1,090	1.85%	1,025	1.93%
Total Expenses	50,895	86.16%	46,651	87.84%

** Previous period numbers have been re-grouped / re-arranged wherever necessary.

Personnel cost includes salaries, wages and bonus, allowances paid to associates deputed outside India, contribution to provident fund and other funds and staff welfare costs. The increase in personnel cost in absolute value is mainly due to increase in headcount and annual increments.

Subcontracting expenses include cost of direct contractors and agency contractors to support current and future business growth.

Operating and other expenses mainly include Travelling expenses, Rent, Repairs and Maintenance, Communication expenses, Office establishment costs, Software Packages and Professional fees. The reduction is due to various cost optimization measures undertaken during the year.

Increase in depreciation is mainly due to increase in investment in infrastructure and equipment to service our growing business.

The Company incurred interest expense of ₹ 1,090 Million in fiscal 2013 as compared to ₹ 1,025 Million in fiscal 2012.

4. Profit before tax

Profit before tax was ₹ 8,172 Million in fiscal 2013 compared ₹ 6,456 Million in fiscal 2012. Profit before tax as a percentage of total income was 13.8% in fiscal 2013 compared to 12.2% in fiscal 2012.

5. Income taxes

The provision for income tax for the year ended 31st March 2013 was ₹ 1,647 Million as compared to ₹ 1,171 Million in the previous year, higher by 40.6%. The effective tax rate in these years was 20.2% and 18.2% respectively.

6. Profit after tax

Profit after tax was ₹ 6,525 Million in fiscal 2013 compared to ₹ 4,606 Million in fiscal 2012. Profit after tax as a percentage of revenue was 10.9% in fiscal 2013 and 8.8% in fiscal 2012.

Consolidated PAT

Consolidated PAT for the fiscal 2013 was ₹ 12,878 Million compared to ₹ 10,955 Million last fiscal. PAT as a percentage of revenue was 18.7% in fiscal 2013 compared to 20.0% in fiscal 2012.

C. CASH FLOW

₹ in Million

Particulars	Financial Year	
	2013	2012
Net cash flow from operating activities#	6,427	6,654
Net cash flow from (used in) investing activities	(5,954)	(4,009)
Net cash flow from (used in) financing activities	889	(3,216)
Cash and cash equivalents at the beginning of the year	1,347	1,918
Cash and cash equivalents at the end of the year	2,709	1,347

excludes unrealized gain/(loss) on foreign currency

D. Internal Control Systems

The Company maintains adequate internal control system, which provides, among other things, reasonable assurance of recording the transactions of its operations in all material aspects and of providing protection

against significant misuse or loss of Company's assets. The company uses an Enterprise Resource Planning (ERP) package, which enhances the internal control mechanism.

E. Material developments in Human Resources including number of people employed

The global headcount of the Company as on 31st March 2013 was 47,498 compared to 40,763 as on 31st March 2012, a growth of 16.5%. The Company had a net addition of 6,735 (previous year 2,430) employees mainly through campus recruitment in addition to lateral hiring. The Company used various sources for attracting talent during the year. It hired Engineering Graduates and Science Graduates for technical positions whereas MBA's were recruited from premier management institutes such as IIM's, ISB etc for the future leadership positions.

The IT attrition was around 18% for the year as compared to 20% in the previous year. The Company has been working towards containing the attrition rate by continuously investing in learning and development programs for associates, competitive compensation, creating a compelling work environment, empowering associates at all levels as well as a well-structured reward and recognition mechanism.

The Company believes in promoting and nurturing work environment which is conducive to the development and growth of an individual employee, by employing the best HR practices such as performance management, reward and recognition policy, leadership development program, succession planning, open work culture and effective employee communication.

Cautionary Statement

Certain statements made in the management discussion and analysis report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections and so on whether express or implied. Several factors could make significant difference to the Company's operations. These include economic conditions affecting demand and supply, government regulations and taxation, natural calamities and so on over which the Company does not have any direct control.

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Your Company believes that Corporate Governance is a set of guidelines to help fulfill its responsibilities to all its stakeholders. It is a voluntary code of self-discipline to ensure that the Company abides by highest ethical standards. In line with this philosophy, your Company follows healthy Corporate Governance practices and has been reporting the same in annual report even before the Company was listed on the Stock Exchanges in August 2006.

II. BOARD OF DIRECTORS:

The Composition of the Board is in conformity with Clause 49 of the Listing Agreement, as amended from time to time. Your Company has a balanced mix of eminent executive, non-executive and independent directors on the Board. The total strength of the Board of Directors is Twelve. Your Company has a Non-executive Chairman, who is a professional Director in his individual capacity and belongs to the Promoter Group and the number of independent directors is seven which is more than half of the total strength of the Board as required by the provisions of the Listing Agreement. The number of Non-Executive Directors is ten which is more than 50% of the total number of Directors.

The Company is managed by the Executive Vice Chairman, Managing Director, and the Management Team. The Board reviews and approves strategy and oversees the performance to ensure that the long term objectives of enhancing stakeholder value are met.

The Independent Directors and the Senior Management have made disclosures to the Board confirming that there are no material financial and/or commercial transactions between them and the Company during the financial year ended 31st March 2013.

The Board meets at least four times a year and the maximum gap between two meetings is not more than four months. During the year 2012-13, five meetings of the Board of Directors were held on 23rd May 2012, 9th August 2012, 10th August 2012, 5th November 2012 and 6th February 2013.

Agenda for the Board Meetings containing all necessary information / documents is made available to the Board in advance to help the Board to discharge its responsibilities effectively and take informed decisions. In some instances, documents are tabled at the meetings and the concerned manager also makes presentations to the Board or Committees.

None of the Directors on the Board is a member in more than 10 committees or acts as a Chairman of more than 5 committees across all companies in which he is a director. The directors of the Company are not inter se related.

The names and categories of the Directors on the Board, their attendance at the Board and the Annual General Meeting held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies as on 31st March, 2013 is given below:

Sr. No.	Name	Category	No. of Board Meetings attended (Held =5)	Attendance at the AGM held on 10 th August 2012	Directorship in other Companies (*)	No. of Committee positions held in other public companies (**)	
						As Chairman	As Member
1.	Mr. Anand G. Mahindra	Non-Executive Chairman	5	Yes	7	Nil	1
2.	Hon. Akash Paul	Non-Executive, Independent	5	Yes	Nil	Nil	Nil
3.	Mr. Anupam Puri	Non-Executive, Independent	5	Yes	3	Nil	1
4.	Mr. Bharat N. Doshi	Non-Executive	5	Yes	7	2	1
5.	Mr. B. H. Wani	Non-Executive, Independent	5	Yes	Nil	Nil	Nil
6.	Mr. C. P. Gurnani (appointed w.e.f 10 th August 2012)	Managing Director	2	N.A.	4	Nil	Nil
7.	Mr. M. Damodaran	Non-Executive, Independent	5	Yes	9	1	5
8.	Mr. Paul Zuckerman	Non-Executive, Independent	4	Yes	2	Nil	1
9.	Dr. Raj Reddy	Non-Executive, Independent	5	Yes	Nil	Nil	Nil
10.	Mr. Ravindra Kulkarni	Non-Executive, Independent	5	Yes	8	2	5
11.	Mr. Vineet Nayyar	Executive Vice Chairman	5	Yes	9	Nil	Nil
12.	Mr. Ulhas N. Yargop	Non-Executive	5	Yes	6	3	4

(*) This does not include private companies, foreign companies and companies under Section 25 of the Companies Act, 1956

(**) Committees include Audit Committee and Investor Grievances-Cum-Share Transfer Committee, excluding that of Tech Mahindra Limited.

Necessary information as required by Annexure 1A to Clause 49 of the Listing agreement is placed before the Board.

During the year under review, Mr. Vineet Nayyar Vice Chairman and Managing Director has been re-designated as Executive Vice Chairman and Mr. C.P. Gurnani has been appointed as Managing Director w.e.f. 10th August 2012.

During the year under review, British Telecommunications Plc. (BT) has sold its entire shareholding in the Company. As a result the Shareholders Agreement (SHA) between Mahindra & Mahindra Ltd. (M&M) & BT to which the Company was also a party has ceased to be operative. Consequently, Mr. Anand G. Mahindra & Mr. Bharat N. Doshi who were nominated by M&M on the Board of the Company had stepped down from their office of director. In view of this on 5th November 2012, the Board has appointed Mr. Anand G. Mahindra & Mr. Bharat N. Doshi as additional directors & Mr. Anand G. Mahindra was elected as the Chairman of the Company.

Directors seeking re-appointment: Mr. Anupam Puri and Mr. Ulhas N. Yargop retire by rotation and being eligible, have offered themselves for re-appointment. As required by clause 49 (G) (i) of the Listing Agreement, details of Directors seeking re-appointment are forming part of Annual General Meeting Notice.

CEO / CFO Certification

As required under Clause 49 V of the Listing Agreement with the Stock Exchanges, a Certificate on the Financial Statements for the financial year ended on 31st March, 2013 has been given to the Board of Directors by the Managing Director and the Chief Financial Officer of the Company.

Code of Conduct

All the Directors and senior management personnel have affirmed compliance with the Code of Conduct/ Ethics as approved and adopted by the Board of Directors and a declaration to that effect signed by the Managing Director is attached and forms part of this report. The Code has been posted on the Company's website - www.techmahindra.com

Policy for Prohibition of Insider Trading

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992, (as amended from time to time) and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a policy for Prohibition of Insider Trading for Directors and specified employees of the Company, relating to dealing in the shares of the Company. This policy also provides for periodical disclosures from designated employees as well as pre-clearance of transactions by such persons.

Whistle Blower Policy

Your Company has a Whistle Blower Policy in place. In terms of this policy, all employees are encouraged to report any instance of unethical behaviour, fraud, violation of the Company's Code of Conduct or any behaviour which may otherwise be inappropriate and harmful to the Company. The policy provides a mechanism for employees to raise concerns that relate to violation of the Code of Conduct, Accounting, Internal Controls, Auditing Matters and applicable national and international laws including statutory / regulatory rules and regulations. This policy has been communicated to all employees and has been posted on the Company's Intranet for ready access. The facility of designated telephone number has also been provided to the employees for informing their concerns through telephone call

III. RISK MANAGEMENT:

Your Company has a well-defined risk management framework in place. The risk management framework adopted by the Company is discussed in detail in the Management Discussion and Analysis section of this Annual Report. Your Company has established procedures to periodically place before the Board, the risk assessment and minimization procedures being followed by the Company and steps taken by it to mitigate these risks.

IV. COMMITTEES OF THE BOARD:

In compliance with the Listing Agreement, the Board has constituted a set of committees with specific terms of reference and scope to deal with specified matters (both mandatory and non-mandatory) expediently. The details of the committees constituted by the Board are given below:

A. AUDIT COMMITTEE:

The Audit Committee of the Board of Directors has been constituted in line with the provisions of Section 292A of the Companies Act, 1956, read with Clause 49 of the Listing Agreement. The Committee meets at least four times a year and the maximum gap between two meetings is not more than four months.

1. The composition of the Audit Committee and particulars of meetings attended by the members are given below:

Four meetings of the Audit Committee were held during the Financial Year 2012-13. The meetings were held on 23rd May 2012, 9th August 2012, 5th November, 2012 and 6th February 2013. The gap between two Meetings did not exceed four months.

The details of the number of Audit Committee meetings attended by its members are given below:

Name	Category	Number of Audit Committee meetings attended (Held = 4)
Mr. M. Damodaran	Chairman, Non-Executive, Independent	4
Mr. Anupam Puri	Non-Executive, Independent	4
Mr. Paul Zuckerman	Non-Executive, Independent	3
Dr. Raj Reddy	Non-Executive, Independent	4
Mr. Ulhas N. Yargop	Non-Executive	4

The necessary quorum was present at all the meetings.

2. **Recommendations of the Committee:**

All the recommendations of the Audit Committee were accepted by the Board of Directors.

3. **Brief terms of reference:**

The terms of reference of this Committee are very wide. Besides having access to all the required information within the Company, the Committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory and the Internal Auditors and the Board of Directors of the Company. It is authorized to select accounting policies, review reports of the Statutory and the Internal Auditors and meet with them to discuss their findings, suggestions and other related matters. The Committee is empowered to review the remuneration payable to the Statutory Auditors and to recommend a change in Auditors, if felt necessary. It is also empowered to review Financial Statements and investments of unlisted subsidiary companies, Management Discussion & Analysis and material individual transactions with related parties not in normal course of business or which are not on an arm's length basis. All items listed in Clause 49 II (D) of the Listing Agreement are covered in the terms of reference. The Audit Committee has been granted powers as prescribed under Clause 49 II (C).

The Meetings of the Audit Committee are, generally, also attended by the Executive Vice Chairman, Managing Director, Chief Financial Officer (CFO), the Statutory Auditors and the Internal Auditors.

Mr. M. Damodaran, Chairman of the Committee, was present at the Annual General Meeting of the Company held on 10th August 2012.

The Company Secretary is the Secretary to the Committee.

Necessary information as required by Clause 49 II (E) of the Listing Agreement is reviewed by the Audit Committee.

B. COMPENSATION AND NOMINATIONS COMMITTEE:

1. The composition of the Compensation and Nominations Committee and particulars of meetings attended by the members are given below:

During the year under review, the Board renamed the Compensation Committee as Compensation and Nominations Committee w.e.f. 23rd May 2012.

Five meetings of the Compensation and Nominations Committee were held during the Financial Year 2012-13. The meetings were held on 23rd May 2012, 9th August 2012, 10th August 2012, 5th November 2012 and 6th February 2013. The details of the number of Compensation and Nominations Committee meetings attended by its members are given below.

Name	Category	Number of Compensation Committee meetings attended (Held = 5)
Mr. Ravindra Kulkarni	Chairman, Non-Executive Independent	5
Mr. Anupam Puri	Non-Executive Independent	5
Mr. Paul Zuckerman	Non-Executive Independent	4
Mr. Ulhas N. Yargop	Non-Executive	5

The necessary quorum was present at all the meetings.

2. Brief terms of reference:

The terms of reference of the Compensation and Nominations Committee include determining the terms and conditions including the remuneration payable to Managing Director and Executive Vice Chairman of the Company as well as the Employee Stock Option Plans (ESOPs) of the Company. During the course of its review, the Committee also decides on the commission of the Directors and/or other incentives payable, taking into account the individual's performance as well as that of the Company.

3. Remuneration Policy:

While deciding on the remuneration for Directors, the Board and Compensation & Nominations Committee considers the performance of the Company, the current trends in the industry, the qualifications of the appointee(s), his/ their experience, past performance and other relevant factors. The Board / Committee regularly keep track of the market trends in terms of compensation levels and practices in relevant industries. This information is used to review the Company's remuneration policies.

4. Compensation of Directors:

i. Remuneration to Non-Executive Directors:

Your Company's Non-Executive Directors are entitled to commission and actual expenses for attending the Board/ Committee meetings.

The eligible Non-Executive Directors are paid commission upto a maximum of 1% of the net profits of the Company, as specifically computed for this purpose. A commission of ₹ 19.63 Million has been provided as payable to the eligible Non-Executive Directors in the accounts of the year under review. The said commission will be paid after approval of the members in the Annual General Meeting. The details of the stock options granted till date to the Non-Executive Directors and the commission of ₹ 22 Million (provided in the accounts for the year ended 31st March 2012), paid to them during the year under review are as under:

Sr. No.	Name	Commission for FY 2011-12, paid during the year (Amount in ₹)	Stock options granted till date
1	Mr. Anand G. Mahindra	-	-
2	Hon. Akash Paul	2,340,780	30,000
3	Mr. Anupam Puri	2,340,780	25,000
4	Mr. Bharat N. Doshi	-	20,000
5	Mr. B. H. Wani	2,418,806	-
6	Mr. M. Damodaran	2,184,728	20,000
7	Mr. Nigel Stagg*	1,619,040	-
8	Mr. Paul Zuckerman	2,340,780	20,000
9	Dr. Raj Reddy	2,340,780	30,000
10	Mr. Ravindra Kulkarni	2,418,806	-
11	Mr. Richard Cameron*	1,697,066	-
12	Mr. Ulhas N. Yargop	2,418,806	35,000
	Total	22,120,372	180,000

* Resigned w.e.f. 23rd Dec 2011, therefore, commission is calculated on pro-rata basis.

All these options (except those granted to Mr. M. Damodaran) are granted prior to the listing of Company's shares, based on the annual valuation by an independent chartered accountant. The options granted to Mr. M. Damodaran during FY 2008-09 were in line with the provisions of the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. Under ESOP 2000, options vest over a period of three years in the ratio of 33%, 33% and 34%. Under ESOP 2006, options vest over five years in the ratio of 10%, 15%, 20%, 25% and 30%.

Apart from reimbursement of expenses incurred in the discharge of their duties, the remuneration that these Directors would be entitled under the Companies Act, 1956 as Non-Executive Directors and the remuneration that a Director may receive for professional services rendered to the Company by a firm in which he is a partner, none of these Directors has any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its Subsidiaries and Associates which in their judgment would affect their independence.

ii. Remuneration paid to Executive Vice Chairman & Managing Director for the year ended 31st March 2013:

Remuneration to Executive Vice Chairman & Managing Director is fixed by the Compensation & Nominations Committee. Following is the remuneration paid to the Executive Vice Chairman & Managing Director during the year ended 31st March 2013:

(₹ in Million)

Name	Salary & allowances (₹)	Company's contribution to Provident Fund (₹)	Commission / Performance pay (₹)	Total (₹)	Contract Period	No. of options (under ESOP 2004 and ESOP 2010)
Mr. Vineet Nayyar, Executive Vice Chairman	45.26	1.21	10.80	57.27	Re-appointed from 10 th August 2012 for 3 years	ESOP 2004 - 3,406,620 ESOP 2010 - 800,000
Mr. C. P. Gurnani, Managing Director w.e.f. 10 th August 2012	10.35	0.52	00.00	10.87	Appointed from 10 th August 2012 for 5 years	ESOP 2004 -3,406,620 ESOP 2010 - 800,000

5. Details of Equity Shares of the Company held by the Directors as on 31st March 2013 are as below:

Sr. No.	Name	No. of Shares held	% to total paid-up Capital
1.	Mr. Anand G. Mahindra ⁺	47,138	0.04
2.	Mr. Vineet Nayyar ⁺	547,208	0.43
3.	Mr. C.P. Gurnani	336,564	0.26
4.	Hon. Akash Paul	21,015	0.02
5.	Mr. Bharat N. Doshi ⁺	17,831	0.01
6.	Mr. M. Damodaran	14,000	0.01
7.	Dr. Raj Reddy	27,000	0.02
8.	Mr. Ravindra Kulkarni ⁺	1,037	0.00
9.	Mr. Ulhas N. Yargop ⁺	38,340	0.03
	Total	1,050,133	0.82

⁺ Held jointly

Except the above, none of the other directors hold any shares of the Company.

C. INVESTOR GRIEVANCES-CUM-SHARE TRANSFER COMMITTEE:

The Board of Directors constituted the Investor Grievances-cum-Share Transfer Committee of the Board at its meeting held on 4th May, 2006. Mr. Ravindra Kulkarni, a Non-Executive Director is the Chairman w.e.f. 5th November 2012 of the Committee. Mr. Vineet Nayyar and Mr. Ulhas N. Yargop (Chairman till 5th November 2012) are the other members of the Committee. Mr. Anil Khatri, Company Secretary is the Compliance Officer. During the year, the Committee has held one meeting on 9th August, 2012 which was attended by all Committee members.

Terms of reference: The Investor Grievances-cum-Share Transfer Committee looks into redressal of shareholders' and investors' complaints, issue of duplicate/ consolidated share certificates, allotment and listing of shares and review of cases for refusal of transfer/ transmission of shares and debentures and reference to statutory and regulatory authorities. The Company also has an Investor Relations Department focused on servicing the needs of the investors, analysts, brokers and the general public. The status of complaints received and resolved during the year is as under:

Opening balance of the number of Shareholders' complaints/requests as on 1 st April, 2012	Number of Shareholders' complaints /requests received during the year	Number of Shareholders' complaints / requests disposed during the year	Number of Shareholders' complaints / requests pending as on 31 st March, 2013
0	95	95	0

Number of Complaints/requests received during the year as a percentage of total number of members as on 31st March, 2013 is 0.08%

D. EXECUTIVE COMMITTEE (a voluntary initiative of the Company):

The Committee was formed to deal with urgent matters requiring immediate action of the Board of Directors before a meeting of the Board could be convened. The Committee also approves the making of loans and investments in accordance with the guidelines prescribed by the Board. Mr. Vineet Nayyar is the Chairman of the Committee. Mr. Ulhas N. Yargop and Mr. Bharat N. Doshi (appointed with effect from 5th November 2012) are the other Members of the Committee.

E. SECURITIES ALLOTMENT COMMITTEE (a voluntary initiative of the Company):

The Committee was formed in the year 2006 to enable exercise of Options and allotment of shares under ESOP. The Board in its meeting held on 27th April, 2009 renamed the Committee as "Securities Allotment Committee" to increase its scope with power to allot any marketable securities of the Company. Mr. Vineet Nayyar is the Chairman of the Committee. Mr. Ulhas N. Yargop and Mr. C. P. Gurnani (appointed with effect from 5th November 2012) are the other Members of the Committee.

V. SUBSIDIARY COMPANIES:

Clause 49 defines a material non-listed Indian subsidiary as an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year. Venturbay Consultants Private Limited (Venturbay), a wholly owned subsidiary of the Company is a material non listed Indian subsidiary. The Company regularly places before the Board minutes of all subsidiaries of the Company.

VI. GENERAL BODY MEETINGS:

The details of the last three Annual General Meetings of the Company and the Special Resolutions passed thereat are as under:

Year	Location of AGM	Date	Time	Special Resolutions passed
2010	Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020	July 26, 2010	3.30 p.m.	- Resolution under Section 81(1A) of the Companies Act, 1956 for further issue of shares. - Re-appointment and revision of remuneration payable to Managing Director.
2011	Sir Patkar Hall, 1, Nathibai Thackersey Road, Marine Lines, Mumbai 400 020	August 12, 2011	3.30 p.m.	- Approval for payment of commission to Non - Executive Directors. - Resolution under Section 81(1A) of the Companies Act, 1956 for further issue of shares. - Approval for enhancing the ceiling on total holdings of Foreign Institutional Investors upto 35% of paid up equity capital.
2012	Y. B. Chavan Auditorium, General Jagannath Bhosle Marg, Nariman Point, Mumbai -400 021.	August 10, 2012	3.30 p.m.	- Alteration of Articles of Association pursuant to Section 31 of the Companies Act, 1956. - Approval of members for further grant of Options under the Employee Stock Option Plan 2000.

Details of Resolutions passed through Postal Ballots during the year 2012-13: NIL

VII. DISCLOSURES:

- i. There have been no materially significant pecuniary transactions or relationships between the Company and directors, management, subsidiary or related parties except those disclosed in the financial statements for the year ended 31st March, 2013.
- ii. The Company has followed the Accounting Standards laid down by The Companies (Accounting Standards) Rules, 2006 in preparation of financial statement.
- iii. The Company has complied with all the requirements of regulatory authorities. During the last three years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets.
- iv. The Company has complied with the mandatory requirements of Clause 49.
- v. The Company has complied with the following non-mandatory requirements as prescribed in Annexure I-D to Clause 49 of the Listing Agreement with the Stock Exchanges:
 - a) The Company has set up a Compensation (Remuneration) Committee. Please see the para on "Compensation & Nominations Committee" for details provided elsewhere in this Report.
 - b) During the period under review, there is no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure regime of unqualified financial statements. The Consolidated Audited Accounts were qualified by Auditors with qualifications flowing from audit qualifications in Audit Report of Satyam Computer Services Limited, an Associate Company.
 - c) The Company has formulated a Whistle Blower Policy which provides a mechanism for employees to raise concerns that relate to violation of the Code of Conduct, Accounting, Internal Accounting Controls, Auditing Matters and applicable national and international laws including statutory / regulatory rules and regulations. No personnel have been denied access to the Audit Committee.

VIII. COMMUNICATION OF RESULTS:

- The Company has 114,783 shareholders as on 31st March, 2013. The main channel of communication to the shareholders is through the annual report which includes inter alia, the Directors' report, the report on Corporate Governance and the quarterly and annual audited financial results.
- The website of the Company www.techmahindra.com acts as the primary source of information regarding the operations of the Company.

The quarterly, half-yearly and annual results of the Company are published in leading newspapers in India which include Business Standard, Economic Times and Maharashtra Times. The results are also displayed on the Company's website www.techmahindra.com. Official Press Releases made by the Company from time to time are also displayed on the website. A Fact sheet providing a gist of the quarterly, half yearly and annual results of the Company is displayed on the Company's website. The Company regularly posts information relating to its financial results and shareholding pattern on Corporate Filing and Dissemination System (CFDS) viz. www.corpfiling.co.in. Besides, the Company also submits electronically various compliance reports / statements periodically in accordance with the provisions of the Listing Agreement on NSE's Electronic Application Processing System (NEAPS).

- A Management Discussion and Analysis forms part of this Annual Report.

IX. GENERAL SHAREHOLDER INFORMATION:***1. Annual General Meeting:**

Date	Wednesday, 7 th August 2013
Time	3.30 P.M.
Venue	Y. B. Chavan Auditorium, General Jagannath Bhosle Marg, Nariman Point, Mumbai - 400 021.

2. Financial year: The financial year is 1st April to 31st March.**Financial Calendar:**

Financial reporting for	Tentative Board Meeting schedule (subject to change)
Quarter ending 30 th June 2013	First fortnight of August 2013
Half year ending 30 th September 2013	First fortnight of November 2013
Quarter ending 31 st December 2013	First fortnight of February 2014
Year ending 31 st March 2014	Second fortnight of May 2014
Annual General Meeting for the year ending 31 st March 2014	First fortnight of August 2014

***3. Book Closure / Record Date:**

1st August, 2013 to 7th August, 2013 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend.

***4. Date of Dividend Payment**

Date of payment of Dividend if declared would be on or after 7th August, 2013.

5. Listing on Stock Exchanges:

The Company's equity shares are listed on The National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE). Listing Fee for FY 2013-14 has been paid in full for both the stock exchanges.

The Company's Non – convertible debentures (NCDs) are listed on the National Stock Exchange of India Limited (NSE).

6. Stock Code:

National Stock Exchange of India Limited - TECHM

Bombay Stock Exchange Limited – 532755

7. Demat International Securities Identification Number (ISIN) in NSDL and CDSL for equity shares:

INE669C01028

The ISIN details for the Company's other securities are as under:

- 10.25% Non-convertible Debentures (17 April 2013) Face Value ₹ 10 Lac: INE669C07025:- Fully Redeemed on 17th April 2013.
- 10.25% Non-convertible Debentures (17 April 2014) Face Value ₹ 10 Lac: INE669C07033

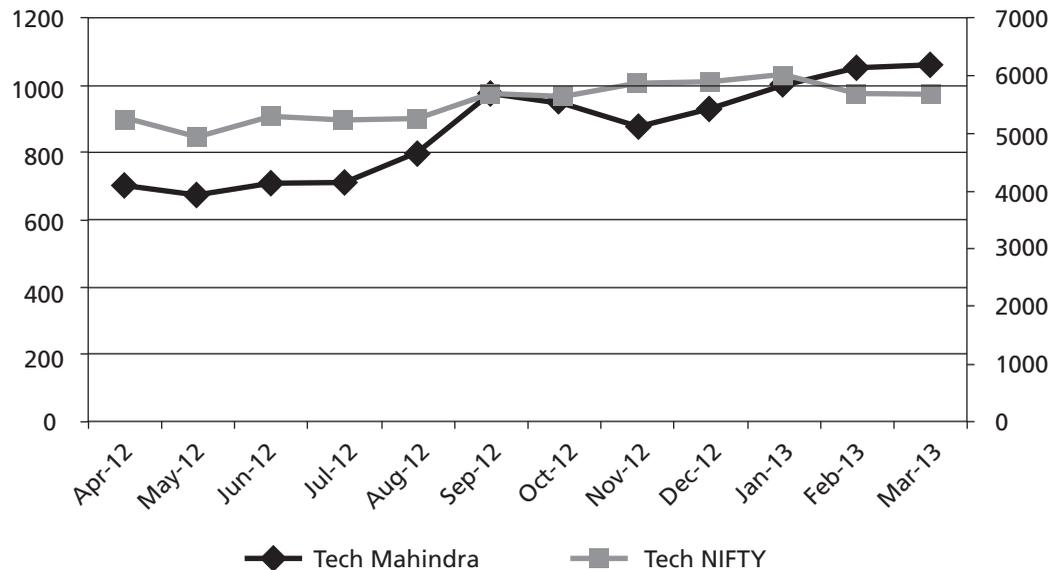
8. Market Price Data: High, Low during each month in last financial year:

Month	Equity Shares			
	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2012	724.55	689.90	730.95	682.15
May 2012	692.25	607.90	707.90	591.05
June 2012	708.30	656.55	712.00	639.00
July 2012	736.60	706.45	748.45	690.50
August 2012	875.10	720.00	887.70	715.50
September 2012	927.50	810.55	979.80	800.55
October 2012	1025.55	909.70	1043.00	899.50
November 2012	969.10	880.10	983.00	868.20
December 2012	952.70	874.15	967.00	865.25
January 2013	1018.40	926.40	1031.00	913.50
February 2013	1052.25	966.55	1068.70	954.00
March 2013	1110.40	1039.15	1123.80	1015.90

* In accordance with Board of Directors resolution passed on 12th August 2013, the Annual General Meeting will be held on Thursday, 26th September, 2013 at 3.30 p.m. at Y. B. Chavan Auditorium, General Jagannath Bhosle Marg, Nariman Point, Mumbai - 400 021. The book closure date will be from 23rd September, 2013 to 26th September, 2013 (both days inclusive). Date of payment of Dividend, if declared, would be on or after 26th September, 2013.

9. Performance in comparison to broad-based indices such as NSE (NIFTY), BSE Sensex index etc.:

The performance of the Company's shares relative to the NSE (NIFTY) Index is given in the chart below:



10. Registrar and Transfer Agents:

Share transfer, dividend payment and all other investor related matters are attended to and processed by our Registrar and Transfer Agents, i.e. Link Intime India Private Limited having their office at

Link Intime India Private Limited
 Block No. 202, 2nd Floor,
 Akshay Complex, Near Ganesh Temple,
 Off Dhole Patil Road,
 Pune 411 001
 Tel No. +91 20 2616 0084, 2616 1629
 Fax: +91 20 2616 3503
 Contact Person: Mr. Bhagavant Sawant
 Email address: bhagavant.sawant@linkintime.co.in

11. Share Transfer System:

The Company's shares are covered under the compulsory dematerialization list and are transferable through the depository system. Shares sent for transfer in physical form are registered and returned within a period of fifteen days from the date of receipt of the documents, provided the documents are valid and complete in all respects.

12. Distribution of shareholding as on 31st March 2013:

No. of Equity Shares held	Shareholders		Equity shares held	
	No. of Shareholders	% to Total	No. of shares	% to Total
001 - 500	112607	98.10	3,863,987	3.02
501 - 1000	812	0.71	618,995	0.48
1001 - 2000	557	0.49	801,519	0.63
2001 - 3000	223	0.20	556,759	0.43
3001 - 4000	128	0.11	454,508	0.35
4001 - 5000	63	0.05	288,024	0.22
5001 - 10000	111	0.09	792,952	0.62
10,001 & above	282	0.25	120,742,279	94.25
Total	114783	100.00	128119023	100.00

13. Shareholding Pattern as on 31st March 2013:

Category	No. of shares held	% to Total
Promoters holdings	60,736,978	47.41
Public Share holding:		
Mutual Funds	7,047,627	5.50
Banks, Financial Institutions & others	13,449,798	10.50
Foreign Institutional Investors	35,025,515	27.34
Bodies Corporate	2,949,684	2.31
NRI/Foreign Nationals	503,276	0.39
Indian Public & others	8406145	6.55
Total	128119023	100.00

14. Dematerialization of shares and liquidity:

99.90% of the total equity share capital of the Company is held in a dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited as on 31st March 2013. The market lot is one share as the trading in equity shares of the Company is permitted only in dematerialized form. The stock is highly liquid.

15. Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity:

As on 31st March 2013, the Company did not have any outstanding GDRs/ADRs/Warrants or any Convertible instruments (excluding ESOPs).

16. Plant Locations:

The Company is in software business and does not require any manufacturing plants but it has software development centers in India and abroad. The addresses of the global development centers/ offices of the Company are given elsewhere in the annual report.

17. Address for correspondence:

Shareholders' Correspondence: Shareholders may correspond with -

- i. Registrar & Transfer Agents for all matters relating to transfer / dematerialization of shares, payment of dividend, IPO refunds / demat credits, etc. at :
Link Intime India Private Limited
Block No. 202, 2nd Floor
Akshay Complex, Near Ganesh Temple
Off Dhole Patil Road
Pune 411 001
Tel No. +91 20 2616 0084, 2616 1629
Fax: +91 20 2616 3503
Contact Person: Mr. Bhagavant Sawant
Email address: bhagavant.sawant@linkintime.co.in
- ii. Respective Depository Participants (DPs) for shares held in demat mode. Shareholders are requested to take note that all queries in connection with change in their resident address, bank account details, etc. are to be sent to their respective DPs.
- iii. For all investor related matters:
Mr. Anil Khatri
Company Secretary
Tech Mahindra Limited
2nd Floor, Corporate Block, Rajiv Gandhi Infotech Park, Phase III, Pune – 411 057 India.
Tel No. +91 20 42250000
Tel No. +91 20 6601 8100
Email address: investor.relations@techmahindra.com

18. Details of shares held in Demat Suspense Account:

The disclosure under Clause 5A of the Listing Agreement is as under:

Sr. No.	Particulars	(In Numbers)
(i)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	24 Shareholders 662 Shares
(ii)	Number of shareholders who approached Company for transfer of shares from suspense account during the year	None
(iii)	Number of shareholders to whom shares were transferred from suspense account during the year	None
(iv)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	24 Shareholders 662 Shares

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

19. Transfer of Unclaimed Dividend to IEPF:

Pursuant to Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, dividends that are unclaimed for a period of seven years, are statutorily required to be transferred to Investor Education and Protection Fund (IEPF) administered by the Central Government, and thereafter, cannot be claimed by the investors.

No claim shall lie against the said Fund or the Company for unpaid dividends transferred to the Fund nor shall any payment be made in respect of such claim. Members, who have not yet encashed their dividend warrant(s), are requested to make their claims without any delay to the Company's Registrar and Transfer Agent, i.e. Link Intime India Private Limited.

Calendar for transfer of unclaimed dividend to IEPF:

Financial Year	Type of Dividend	Date of Declaration	Due for Transfer to IEPF
2005-2006	Fourth Interim Dividend	4 th May, 2006	June, 2013
2005-2006	Final Dividend	18 th July, 2006	August, 2013
2006-2007	First Interim Dividend	17 th July, 2006	August, 2013
2006-2007	Second Interim Dividend	14 th March, 2007	April, 2014
2007-2008	Final Dividend	22 nd July, 2008	August, 2015
2008-2009	Interim Dividend	21 st October, 2008	November, 2015
2009-2010	Final Dividend	26 th July, 2010	September, 2017
2010-2011	Final Dividend	12 th August, 2011	September, 2018
2011-2012	Final Dividend	10 th August, 2012	September, 2019

X. GREEN INITIATIVES:

The Company has taken steps in furtherance of the recent Green initiative proposed by the Ministry of Corporate Affairs (MCA). In order to save the forest and the economy the Company has sent a circular to all the shareholders seeking their concurrence on the electronic communication. The circular was sent by electronic communication as well as through post along with reply paid envelopes provided by the Company to enable the shareholders to intimate their email id's and help the Company and the country in the green initiative.

In order to save the precious forest, preserve the natural resources of the country and to help your Company to save on cost, Members are requested to register their email id's with the Company's Registrar & Transfer Agent i.e. Link Intime India Private Limited or with your DP or by sending email to techmahindragogreen@linkintime.co.in

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

As required by Clause 49 I (D) (ii) of the Listing Agreement, this is to confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management of the Company. The Code is available on the Company's web site.

I confirm that the Company has in respect of the financial year ended March 31, 2013, received from the senior management team of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team comprises of employees in the President and Executive Vice President Cadre as on March 31, 2013 and Chief Financial Officer of the Company.

For Tech Mahindra Limited

Place : Mumbai
Date : May 21, 2013

C.P. Gurnani
Managing Director

CERTIFICATE

To the Members of Tech Mahindra Limited

We have examined the compliance of conditions of Corporate Governance by Tech Mahindra Limited ("the Company") for the year ended on March 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 117366W)

Place : Mumbai
Date : May 21, 2013

Hemant M. Joshi
Partner
(Membership No. 38019)

Independent Auditors' Report

To The Members of Tech Mahindra Limited Report on the Financial Statements

We have audited the accompanying financial statements of **TECH MAHINDRA LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 117366W)

Hemant M. Joshi
Partner
(Membership No. 38019)

Place : Mumbai,
Dated : May 21, 2013

Annexure to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) Having regard to the nature of the Company's business / activities / results during the year, clauses (ii), (x), (xiii) and (xiv) of paragraph 4 of CARO are not applicable to the company.
- (ii) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The major portions of fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of goods and services and during the course of our audit we have not observed any major weakness in such internal control system.
- (v) According to the information and explanations given to us, there are no contracts or arrangements that need to be entered into the register referred to in Section 301 of the Companies Act, 1956.
- (vi) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.
- (vii) In our opinion, the internal audit functions carried out during the year by an external agency appointed by the Management have been commensurate with the size of the Company and the nature of its business.
- (viii) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act. Accordingly, the provisions of Clause (viii) of paragraph 4 of Companies (Auditors' Report) Order, 2003 is not applicable to the Company.
- (ix) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax / VAT, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax / VAT, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2013 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income Tax, Sales Tax / VAT, Service Tax and Cess which have not been deposited as on 31st March, 2013 on account of disputes are given below:

(₹ in Million)				
Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved
The Income Tax Act, 1961	Income tax	Assessing Officer	2001-02	68.88
The Income Tax Act, 1961	Income tax	High Court	2002-03	240.65
The Income Tax Act, 1961	Income tax	Assessing Officer	2002-03	1.97
The Income Tax Act, 1961	Income tax	Assessing Officer	2002-03	0.55
The Income Tax Act, 1961	Income tax	Income Tax Appellate Tribunal	2003-04	151.69
The Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals)	2003-04	9.42

(₹ in Million)

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved
The Income Tax Act, 1961	Income tax	Income Tax Appellate Tribunal	2004-05	150.46
The Income Tax Act, 1961	Income tax	Assessing Officer	2004-05	39.55
The Income Tax Act, 1961	Income tax	Assessing Officer	2004-05	1.32
The Income Tax Act, 1961	Income tax	High Court	2005-06	2.83
The Income Tax Act, 1961	Income tax	Income Tax Appellate Tribunal	2005-06	1.57
The Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals)	2006-07	3,135.04
The Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals)	2007-08	16.63
The Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals)*	2008-09	30.60
The Income Tax Act, 1961	Fringe Benefit Tax	Income Tax Appellate Tribunal	2005-06	1.57
Finance Act, 1994	Service Tax	Commissioner of Central Excise (Appeals)	2003-04 to 2006-07	12.86
Finance Act, 1994	Service Tax	Commissioner of Central Excise (Appeals)	2004-05 to 2007-08	86.60
Finance Act, 1994	Service Tax	High Court*	2008-09 and 2009-10	224.20

* The Company is in process of filing the appeal

- (x) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and debenture holders. According to the information and explanations given to us, there are no dues payable to financial institutions.
- (xi) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xii) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xiii) The Company has not availed any term loans during the year.
- (xiv) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have, prima facie, not been used during the year for long- term investment.
- (xv) According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xvi) According to the information and explanations given to us, the Company has not issued any debentures during the period covered by our audit. Accordingly, the provisions of clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xvii) As informed to us, during the period covered by our audit report, the Company has not raised any money by public issues.
- (xviii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 117366W)

Hemant M. Joshi
Partner
(Membership No. 38019)

Place : Mumbai,
Dated : May 21, 2013

BALANCE SHEET AS AT MARCH 31, 2013

	Note	March 31, 2013	₹ in Million March 31, 2012
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2	1,281	1,275
(b) Reserves and Surplus	3	40,544	33,157
		<u>41,825</u>	<u>34,432</u>
2 Share Application Money Pending Allotment		3	0
3 Non-Current Liabilities			
(a) Long-Term Borrowings	4	3,000	6,000
(b) Other Long-Term Liabilities	5	2,270	4,309
(c) Long-Term Provisions	6	1,692	1,706
		<u>6,962</u>	<u>12,015</u>
4 Current Liabilities			
(a) Short-Term Borrowings	7	8,045	5,266
(b) Trade Payables	8	5,644	4,684
(c) Other Current Liabilities	9	8,046	5,831
(d) Short-Term Provisions	10	2,060	1,388
		<u>23,795</u>	<u>17,169</u>
		<u>72,585</u>	<u>63,616</u>
II. ASSETS			
1 Non-Current Assets			
(a) Fixed Assets	11		
(i) Tangible Assets		7,133	6,463
(ii) Intangible Assets		68	63
(iii) Capital Work-in-Progress		284	1,627
		<u>7,485</u>	<u>8,153</u>
(b) Non-Current Investments	12	38,075	31,332
(c) Deferred Tax Asset (refer note 43)		944	820
(d) Long-Term Loans and Advances	13	4,496	3,341
		<u>51,000</u>	<u>43,646</u>
2 Current Assets			
(a) Current Investments	14	-	1,203
(b) Trade Receivables	15	13,725	12,431
(c) Unbilled Revenue (refer note 42)		1,839	2,200
(d) Cash and Cash Equivalents	16	2,711	1,389
(e) Short-Term Loans and Advances	17	3,310	2,747
		<u>21,585</u>	<u>19,970</u>
		<u>72,585</u>	<u>63,616</u>
See accompanying notes forming part of the financial statements	1 To 56		

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Hemant M. Joshi
Partner

Mumbai, Dated May 21, 2013

Anand G. Mahindra
Chairman
Hon. Akash Paul
Director
B.H. Wani
Director
Dr. Raj Reddy
Director
Sonjoy Anand
Chief Financial Officer

Mumbai, Dated May 21, 2013

For Tech Mahindra Limited

Vineet Nayyar
Executive Vice Chairman
Anupam Puri
Director
M. Damodaran
Director
Ravindra Kulkarni
Director
Anil Khatri
Company Secretary

C. P. Gurnani
Managing Director
Bharat Doshi
Director
Paul Zuckerman
Director
Ulhas N. Yargop
Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

₹ in Million except Earnings per share

	Note	Year ended March 31, 2013	Year ended March 31, 2012
I. Revenue from Services (refer note 33)		60,019	52,430
II. Other Income	18	(952)	677
III. Total Revenue (I + II)		59,067	53,107
IV. Expenses:			
Employee Benefits Expense	19	25,138	22,625
Subcontracting Expenses		15,524	12,528
Operating and Other Expenses	20	7,573	8,968
Finance Costs	21	1,090	1,025
Depreciation and Amortisation Expense	11	1,570	1,505
Total Expenses		50,895	46,651
V. Profit before Exceptional Items and Tax (III-IV)		8,172	6,456
VI. Exceptional Items (net) (refer note 40)		-	679
VII. Profit Before Tax (V - VI)		8,172	5,777
VIII. Tax Expense:			
(1) Current Tax (refer note 47)		1,771	1,459
(2) Deferred Tax (refer note 43)		(124)	(288)
IX. Profit for the year (VII - VIII)		6,525	4,606
Earnings per Equity Share (Before exceptional items) in ₹ (refer note 46)			
(1) Basic		51.10	41.61
(2) Diluted		48.99	40.00
Earnings per Equity Share (After exceptional items) in ₹ (refer note 46)			
(1) Basic		51.10	36.27
(2) Diluted		48.99	34.86
See accompanying notes to the financial statements	1 To 56		

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Hemant M. Joshi
Partner

Mumbai, Dated May 21, 2013

Anand G. Mahindra
Chairman
Hon. Akash Paul
Director
B.H. Wani
Director
Dr. Raj Reddy
Director
Sonjoy Anand
Chief Financial Officer
Mumbai, Dated May 21, 2013

For Tech Mahindra Limited

Vineet Nayyar
Executive Vice Chairman
Anupam Puri
Director
M. Damodaran
Director
Ravindra Kulkarni
Director
Anil Khatri
Company Secretary

C. P. Gurnani
Managing Director
Bharat Doshi
Director
Paul Zuckerman
Director
Ulhas N. Yargop
Director

CASH FLOW FOR THE YEAR ENDED MARCH 31, 2013

Particulars	₹ in Million	
	Year ended March 31, 2013	Year ended March 31, 2012
A Cash Flow from Operating Activities		
Net Profit before Tax	8,172	6,456
Adjustments for :		
Depreciation and Amortisation Expenses	1,570	1,505
Amortisation of Deferred Revenue	(2,065)	(2,065)
Provision for Doubtful Receivables, Bad debts written off, Loans and Advances (net) and Deposits	173	138
Customer Claims and Warranties	1	(104)
(Profit) / Loss on sale of Fixed Assets (net)	(21)	(1)
Finance Costs	1,090	1,025
Unrealised Exchange (Gain) / Loss (net)	344	851
Employee Stock Compensation Cost	500	412
Interest Income	(18)	(70)
Dividend Income	(10)	(3)
	<u>1,564</u>	<u>1,688</u>
Operating Profit before working capital changes	9,736	8,144
Trade Receivables (including Finance Lease) and Other Assets	(2,301)	(1,147)
Trade Payables, Other Liabilities and Provisions	1,362	1,719
	<u>(939)</u>	<u>572</u>
Cash Generated from Operations	8,797	8,716
Income Tax Paid (net)	<u>(2,370)</u>	<u>(2,062)</u>
Net Cash Flow from / (used in) Operating Activities (A)	6,427	6,654
B Cash Flow from Investing Activities		
Purchase of Fixed Assets	(1,092)	(2,705)
Proceeds from Sale of Fixed Assets	39	9
Purchase of Current Investments	(8,150)	(1,200)
Sale of Current Investments	9,363	-
Investment in Treasury Bonds	(8)	-
Proceeds on maturity of Treasury Bills	1	-
Acquisition of Companies (refer note 27, 28 and 29)	(6,122)	-
Additional Investment in Subsidiaries	(2)	(182)
Interest Received	17	69
Net Cash Flow from / (used in) Investing Activities (B)	(5,954)	(4,009)
C Cash Flow from Financing Activities		
Proceeds from issue of Equity Shares (including Share Application Money)	71	119
Loan given to Subsidiary	(54)	(45)
Interest on Loan to Subsidiary	1	1

CASH FLOW FOR THE YEAR ENDED MARCH 31, 2013 (Contd.)

Particulars	₹ in Million	
	Year ended March 31, 2013	Year ended March 31, 2012
Dividend (including Tax on Dividend) paid	(593)	(591)
Proceeds from Short-Term Borrowings	32,385	23,541
Repayment of Short-Term Borrowings	(29,844)	(25,331)
Finance Costs	(1,077)	(910)
Net Cash Flow from / (used in) Financing Activities (C)	889	(3,216)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	1,362	(571)
Cash and Cash Equivalents at the beginning of the year	1,347	1,918
Cash and Cash Equivalents at the end of the year	2,709	1,347

Notes :

- 1 Purchase of Fixed Assets are stated inclusive of movements of Capital Work-in-Progress between the commencement and end of the year and are considered as part of investing activity.

Particulars	₹ in Million	
	March 31, 2013	March 31, 2012
Cash and Cash Equivalents*	2,711	1,389
Unrealised Loss / (Gain) on foreign currency balances	(2)	(42)
Total	2,709	1,347
* Cash and Cash Equivalents comprises of Balances with banks :		
a) In Current Accounts	2,687	1,369
b) In Deposit Accounts with original maturity of less than three months	18	15
c) In Earmarked Balances with Banks	6	5
	2,711	1,389

- 3 Cash and Cash Equivalents include Equity Share Application money of ₹ **3 Million** (previous year ₹ 0 Million) and Unclaimed Dividend of ₹ **6 Million** (previous year ₹ 5 Million)

In terms of our report attached
For Deloitte Haskins & Sells
 Chartered Accountants

Hemant M. Joshi
 Partner

Mumbai, Dated May 21, 2013

Anand G. Mahindra
 Chairman
 Hon. Akash Paul
 Director
 B.H. Wani
 Director
 Dr. Raj Reddy
 Director
 Sonjoy Anand
 Chief Financial Officer

Mumbai, Dated May 21, 2013

For Tech Mahindra Limited

Vineet Nayyar
 Executive Vice Chairman
 Anupam Puri
 Director
 M. Damodaran
 Director
 Ravindra Kulkarni
 Director
 Anil Khatri
 Company Secretary

C. P. Gurnani
 Managing Director
 Bharat Doshi
 Director
 Paul Zuckerman
 Director
 Ulhas N. Yargop
 Director

Notes forming part of the Balance Sheet and the Statement of Profit and Loss

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2013

1. Significant accounting policies:

(a) Basis for preparation of accounts:

The accompanying financial statements have been prepared to comply in all material aspects with generally accepted accounting principles applicable in India, the Accounting Standards and the relevant provisions of the Companies Act, 1956.

(b) Use of Estimates:

The preparation of financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognised in the period in which the results are known / materialised.

(c) Fixed Assets including intangible assets:

Fixed assets are stated at cost less accumulated depreciation. Costs comprise of purchase price and attributable costs, if any.

(d) Leases:

Assets taken on lease are accounted for as fixed assets in accordance with Accounting Standard 19 on "Leases", (AS 19).

(i) Finance lease

Where the Company, as a lessor, leases assets under finance lease, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is based on constant rate of return on the outstanding net investment.

Assets taken on finance lease are accounted for as fixed assets at fair value. Lease payments are apportioned between finance charge and reduction of outstanding liability.

(ii) Operating lease

Lease arrangements under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating

lease. Lease rental under operating lease are recognised in the Statement of Profit and Loss on straight line basis.

(e) Depreciation / amortization of fixed assets:

- (i) The Company computes depreciation of all fixed assets including for assets taken on lease using the straight line method based on estimated useful life. Depreciation is charged on a pro rata basis for assets purchased or sold during the period. Management's estimate of the useful life of fixed assets is as follows:

Buildings	28 years
Computers	3 years
Plant and Equipment	5 years
Furniture and Fixtures	5 years
Vehicles	5 years
Office Equipments	5 years

- (ii) Leasehold land is amortised over the period of lease.

- (iii) Leasehold improvements are amortised over the period of lease or expected period of occupancy whichever is less.

- (iv) Assets costing upto ₹ 5,000 are fully depreciated in the year of purchase.

- (v) The cost of software purchased for internal use is capitalized and depreciated in full in the month in which it is put to use.

(f) Impairment of Assets:

At the end of each period, the company determines whether a provision should be made for impairment loss on assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets". Where the recoverable amount of any asset is lower than its carrying amount, a provision for impairment loss on assets is made for the difference. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

Reversal of impairment loss if any is recognised immediately as income in the Statement of Profit and Loss.

(g) Investments:

Long term investments are carried at cost. Provision is made to recognise a decline other than temporary in the carrying amount of long term investment.

Current investments are carried at lower of cost and fair value.

(h) Inventories:

Components and parts:

Components and parts are valued at lower of cost or net realizable value. Cost is determined on First-In-First Out basis.

Finished Goods:

Finished goods are valued at the lower of the cost or net realisable value. Cost is determined on First-In-First Out basis.

(i) Revenue recognition:

Revenue from software services and business process outsourcing services include revenue earned from services rendered on 'time and material' basis, time bound fixed price engagements and system integration projects.

All revenues from services, as rendered, are recognised when persuasive evidence of an arrangement exists, the sale price is fixed or determinable and collectability is reasonably assured and are reported net of sales incentives, discounts based on the terms of the contract and applicable indirect taxes.

The Company also performs time bound fixed price engagements, under which revenue is recognized using the proportionate completion method of accounting, unless work completed cannot be reasonably estimated. Provision for estimated losses, if any on uncompleted contracts are recorded in the period in which such losses become probable based on the current contract estimates.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known.

Liquidated damages and penalties are accounted as per the contract terms wherever there is a delayed delivery attributable to the Company and when

there is a reasonable certainty with which the same can be estimated.

Revenues from the sale of software and hardware products are recognised upon delivery/deemed delivery, which is when title passes to the customer, along with risk and rewards.

Unbilled revenues comprise revenues recognised in relation to efforts incurred, not billed as of the period end, where services are performed in accordance with agreed terms.

The Company recognizes unearned finance income as financing revenue over the lease term using the effective interest method.

Dividend income is recognized when the Company's right to receive dividend is established. Interest income is recognized on time proportion basis.

(j) Foreign currency transactions:

(i) Foreign currency transactions and translations:

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Monetary items are translated at the period end rates. The exchange differences between the rate prevailing on the date of transaction and on the date of settlement / translation of monetary items at the end of the period is recognised as income or expense, as the case may be.

Any premium or discount arising at the inception of the forward exchange contract is recognized as income or expense over the life of the contract, except in the case where the contract is designated as a cash flow hedge.

(ii) Derivative instruments and hedge accounting:

The Company uses foreign currency forward contracts / options to hedge its risks associated with foreign currency fluctuations relating to certain forecasted transactions. Effective April 1, 2007 the Company designates some of these as cash flow hedges applying the recognition and measurement principles set out in the Accounting Standard 30 "Financial Instruments: Recognition and Measurements" (AS 30).

The use of foreign currency forward contracts/ options is governed by the Company's policies approved by the Board of Directors, which

provide written principles on the use of such financial derivatives consistent with the Company's risk management strategy. The counter party to the Company's foreign currency forward contracts is generally a bank. The Company does not use derivative financial instruments for speculative purposes.

Foreign currency forward contract / option derivative instruments are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognized directly in Hedging Reserve (under Reserves and Surplus) and the ineffective portion is recognized immediately in the Statement of Profit and Loss.

The accumulated gains / losses on the derivatives accounted in Hedging Reserve are transferred to the Statement of Profit and Loss in the same period in which gains / losses on the item hedged are recognized in the Statement of Profit and Loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the Statement of Profit and Loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. When hedge accounting is discontinued for a cash flow hedge, the net gain or loss will remain in Hedging Reserve and be reclassified to the Statement of Profit and Loss in the same period or periods during which the formerly hedged transaction is reported in the Statement of Profit and Loss. If a hedged transaction is no longer expected to occur, the net cumulative gains / losses recognized in Hedging Reserve is transferred to the Statement of Profit and Loss.

(k) Employee Retirement Benefits:

(i) Gratuity:

The Company accounts for its gratuity liability, a defined retirement benefit plan covering eligible employees. The gratuity plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of the

employment based on the respective employee's salary and the tenure of the employment. Liabilities with regard to a Gratuity plan are determined based on the actuarial valuation carried out by an independent actuary as at the Balance Sheet date using the Projected Unit Credit method.

Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period in which they occur. (refer note 34 below)

(ii) Provident fund:

The eligible employees of the Company are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently at 12% of the basic salary) and super-annuation contributions, which are charged to the Statement of Profit and Loss on accrual basis. The provident fund contributions are paid to the Regional Provident Fund Commissioner by the Company.

The Company has no further obligations for future provident fund and superannuation fund benefits other than its annual contributions.

(iii) Compensated absences:

The Company provides for the encashment of leave subject to certain Company's rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is provided based on the number of days of unavailed leave at each balance sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method.

Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period in which they occur.

The company also offers a short term benefit in the form of encashment of unavailed accumulated leave above certain limit for all of its employees and same is being provided for in the books at actual cost.

(iv) Other short term employee benefits:

Other short-term employee benefits, including overseas social security contributions and

performance incentives expected to be paid in exchange for the services rendered by employees, are recognised during the period when the employee renders the service.

(l) Borrowing costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to the Statement of Profit and Loss.

(m) Taxation:

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to/recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the respective countries.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset if there is convincing evidence that the Company will pay normal tax after the tax holiday period. Accordingly, it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

Deferred tax assets and liabilities are recognised for future tax consequences attributable to timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent years and are measured using relevant enacted tax rates. The carrying amount of deferred tax assets at each Balance sheet date is reduced to the extent that it is no longer reasonably certain that

sufficient future taxable income will be available against which the deferred tax asset can be realized.

Tax on distributed profits payable in accordance with the provisions of the Income-Tax Act, 1961 is disclosed in accordance with the Guidance Note on Accounting for Corporate Dividend Tax issued by the Institute of Chartered Accountants of India (ICAI).

(n) Employee Stock Option Plans:

Stock options granted to the employees are accounted as per the accounting treatment prescribed by the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 ("ESOP Guidelines") issued by Securities and Exchange Board of India ("SEBI") and the Guidance Note on Accounting for Employee Share-based Payments, issued by the ICAI. Employees eligible for Employee Stock Option Plan 2010 are granted an option to purchase shares of the company at predetermined exercise price. These options vest over a period of three years from the date of grant. The stock compensation cost is computed under the intrinsic value method and amortised on a straight line basis over the total vesting period of three years.

(o) Provision, Contingent Liabilities and Contingent Assets:

A provision is recognized when the Company has a present obligation as a result of past event and its probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. The provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current best estimates.

Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

Note 2: Share Capital

Share Capital	As at March 31, 2013		As at March 31, 2012	
	Number	₹ Million	Number	₹ Million
Authorised				
Equity Shares of ₹10/- each	175,000,000	1,750	175,000,000	1,750
Issued, Subscribed & Paid up				
Equity Shares of ₹ 10/- each	128,119,023	1,281	127,486,541	1,275
	128,119,023	1,281	127,486,541	1,275

Disclosure pursuant to Part I of Schedule VI to the Companies Act, 1956**Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:**

Particulars	March 31, 2013 Equity Shares		March 31, 2012 Equity Shares	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	127,486,541	1,274,865,410	125,955,481	1,259,554,810
Shares issued during the year	632,482	6,324,820	1,531,060	15,310,600
Shares outstanding at the end of the year	128,119,023	1,281,190,230	127,486,541	1,274,865,410

No of shares held by each shareholder holding more than 5 percent equity shares of the company are as follows:

Name of Shareholder	March 31, 2013		March 31, 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mahindra and Mahindra Limited	60,676,252	47.36	60,676,252	47.59
British Telecommunications PLC	-	-	29,546,923	23.18
Life Insurance Corporation of India (Through various schemes)	13,276,058	10.36	18,029,149	14.14

Refer note 41 for details relating to stock options.

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The Board of Directors in their meeting on May 21, 2013 proposed a final dividend of ₹ 5 per equity share. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting.

Note 3: Reserves and Surplus

₹ in Million

	As at March 31, 2013	As at March 31, 2012
(a) Securities Premium Account		
Opening Balance	2,702	2,599
Add : Received during the year from exercise of Stock Options	62	103
Add: Transfer from Share Options Outstanding Account	64	-
Closing Balance	<u>2,828</u>	<u>2,702</u>
(b) Debenture Redemption Reserve		
Opening Balance	3,990	2,637
Add: Transfer from Statement of Profit and Loss	1,348	1,353
Closing Balance	<u>5,338</u>	<u>3,990</u>
(c) Share Options Outstanding Account (refer note 1(n))		
Opening Balance	481	69
Add :Amortised amount of Stock Compensation Cost	500	412
Less: Transfer to Securities Premium Account	64	-
Closing Balance	<u>918</u>	<u>481</u>
(d) General Reserve		
Opening Balance	5,451	4,451
Add: Transfer from Statement of Profit and Loss	1,000	1,000
Closing Balance	<u>6,451</u>	<u>5,451</u>
(e) Hedging Reserve (refer note 44)		
Opening Balance	(3,535)	412
Add: Movement during the year (net)	1,049	(3,947)
Closing Balance	<u>(2,486)</u>	<u>(3,535)</u>
(f) Surplus in Statement of Profit and Loss		
Opening balance	24,068	22,412
Add: Net Profit for the year	6,525	4,606
Less: Final Dividend (refer note 48)	0	4
Less: Proposed Final Dividend (refer note 2)	641	510
Less: Tax on Dividend (refer note 2 and 48)	109	83
Less: Transfer to Debenture Redemption Reserve	1,348	1,353
Less: Transfer to General Reserve	1,000	1,000
Closing Balance	<u>27,495</u>	<u>24,068</u>
	<u>40,544</u>	<u>33,157</u>

Note 4: Long-Term Borrowings

	As at March 31, 2013	₹ In Million As at March 31, 2012
Secured Debentures		
(i) 10.25% (previous year: 10.25%) Privately placed Non-Convertible Debentures (Due for redemption on April 17, 2014, at par)	3,000	3,000
(ii) 10.25% (previous year: 10.25%) Privately placed Non-Convertible Debentures (Due for redemption on April 17, 2013, at par)	-	3,000
(The above debentures are secured by pari passu charge over the immovable property located in Gujarat and Pune. Company has also deposited the title deeds of certain other immovable properties of the Company with the debenture trustees.)		
	3,000	6,000

Note 5: Other Long-Term Liabilities

(a) Deferred Revenue (refer note 33)	-	1,708
(b) Fair values of Foreign Exchange Forward and Currency Option Contracts (refer note 44)	2,071	2,543
(c) Deposits (refer note 42)	20	20
(d) Contractual Obligation (refer note 28)	179	-
(e) Others	-	38
	2,270	4,309

Note 6: Long-Term Provisions

Provision for Employee Benefits (refer note 34)	1,692	1,706
	1,692	1,706

Note 7: Short-Term Borrowings**Secured Loans from Bank**

Cash Credit *	544	106
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Unsecured Loans from Banks

Working Capital Loan**	508	-
Export Packing Credit **	4,143	5,160

*Cash credit is secured by charge over current assets, present and future, including receivables.

** Due for repayment within 6 months from date of disbursement of loan.

Inter Corporate Deposits

Inter Corporate Deposits from related parties (refer note 42) #	2,850	-
# Due for repayment on October 1, 2013	8,045	5,266

Note 8: Trade Payables

	As at March 31, 2013	₹ In Million As at March 31, 2012
Trade Payables		
Dues to micro enterprises and small enterprises (refer note 55)	-	-
Dues to other creditors (refer note 42)	5,644	4,684
	<u>5,644</u>	<u>4,684</u>

Note 9: Other Current Liabilities

(a) Current Maturities of Long Term Debt	3,000	-
10.25% (previous year: 10.25%) Privately placed Non-Convertible Debentures (Due for redemption on April 17, 2013, at par)		
(The above debentures are secured by pari passu charge over the immovable property located in Gujarat and Pune. Company has also deposited the title deeds of certain other immovable properties of the Company with the debenture trustees.)		
(b) Deferred Revenue (refer note 33)	1,708	2,065
(c) Contractual Obligation (refer note 28)	434	-
(d) Accrued Salaries and Benefits	980	1,186
(e) Interest Accrued but not due on Borrowings	589	601
(f) Fair values of Foreign Exchange Forward and Currency Option Contracts (refer note 44)	431	1,163
(g) Advance from Customers	164	61
(h) Unearned Revenue	111	209
(i) Unpaid Dividends	6	5
(j) Deposits (refer note 42)	5	-
(k) Others*	618	541
	<u>8,046</u>	<u>5,831</u>

* Others mainly include withholding and other taxes payable.

Note 10: Short-Term provisions

(a) Provision for Employee Benefits (refer note 34)	673	364
(b) Provision for Proposed Final Dividend (refer note 2)	641	510
(c) Provision for Tax on Dividend (refer note 2)	109	83
(d) Provision for Taxation	637	431
	<u>2,060</u>	<u>1,388</u>

Note 11: Fixed Assets

	₹ in Million									
	Gross Block			Accumulated Depreciation / Amortisation			Net Block			
	Cost as at April 01, 2012	Additions during the year	Deletions during the year	Balance as at March 31, 2013	As at April 01, 2012	For the year	Deductions during the year	Upto March 31, 2013	As at March 31, 2013	As at March 31, 2012
a Tangible Assets										
Freehold Land	175	-	-	175	-	-	-	-	175	175
Leasehold Land	678	-	-	678	60	27	-	87	591	618
Buildings	4,680	678	-	5,358	1,465	177	-	1,642	3,716	3,215
Plant and Equipments	2,575	552	53	3,074	1,635	428	46	2,017	1,057	940
Furniture and Fixtures	1,685	401	38	2,048	1,191	252	32	1,411	637	494
Vehicles	59	1	12	48	42	9	12	39	9	17
Computers	2,517	351	35	2,833	2,076	327	36	2,367	466	441
Office Equipments	499	64	11	552	329	80	11	398	154	170
Leasehold Improvements	887	73	202	758	494	136	200	430	328	393
Total	13,755	2,120	351	15,524	7,292	1,436	337	8,391	7,133	6,463
Previous year	12,409	1,901	555	13,755	6,439	1,400	546	7,292	6,463	
b Intangible Assets										
Intellectual Property Rights	76	-	-	76	76	-	-	76	0	0
Software	138	143	82	199	75	134	78	131	68	63
Total	214	143	82	275	151	134	78	207	68	63
Previous year	76	138	-	214	46	105	-	151	63	
Grand Total	13,969	2,263	433	15,799	7,443	1,570	415	8,598	7,201	6,526
Previous year	12,485	2,039	555	13,969	6,485	1,505	546	7,443	6,526	
c Capital Work-in-Progress										
Total									284	1,627
									7,485	8,153

Notes:

- In the previous year, the useful life of buildings has been revised from 15 years to 28 years with effect from April 1, 2011. The net book value of these fixed assets as at March 31, 2011 is being depreciated over the revised remaining useful life of the assets. As a result of this change, depreciation charge for the year ended March 31, 2012 is lower and the profit for the year is higher by ₹ 159 Million.
- Depreciation charge of the previous year includes accelerated charge of ₹ 83 Million on assets in leased premises consequent to the early termination of the lease.

Note 12: Non-Current Investments

	As at March 31, 2013	₹ in Million As at March 31, 2012
Trade (Unquoted - at cost)		
In Subsidiary Companies :		
In Equity Shares:		
375,000 Ordinary Shares (previous year 375,000) of US\$ 1 each fully paid-up of Tech Mahindra (Americas) Inc.	12	12
3 Shares of Euro 25,000, 50,000 and 500,000 each, fully paid-up of Tech Mahindra GmbH (refer note 1 below)	389	389
Less : Provision for Diminution (refer note 24)	354	354
	35	35
5,000 Equity Shares (previous year 5,000) of Singapore \$ 10 each fully paid-up of Tech Mahindra (Singapore) Pte. Limited	1	1
50,000 Equity Shares (previous year 50,000) of Tech Mahindra (Thailand) Limited of THB 100 each fully paid-up	6	6
50,000 Equity Shares (previous year 50,000) of Tech Mahindra Foundation of ₹ 10 each fully paid-up	1	1
500,000 Equity Shares (previous year 500,000) of PT Tech Mahindra Indonesia of US \$ 1 each fully paid-up	22	22
5,767,330 Equity Shares (previous year 5,767,330) of CanvasM Technologies Limited of ₹ 100 each fully paid-up	603	603
312,820 Equity Shares (previous year 312,820) of Tech Mahindra (Malaysia) Sdn Bhd of Ringgit 1 each fully paid-up	4	4
Investment in Tech Mahindra (Beijing) IT Services Limited (refer note 3 below and 31)	22	21
30,472,300 Equity Shares (previous year 30,472,300) of Venturbay Consultants Private Limited of ₹ 10 each fully paid-up	30,461	30,461
12,450,000 Equity Shares (previous year 12,450,000) of Mahindra Logisoft Business Solutions Limited of ₹ 10 each fully paid-up	112	112
500 Equity Shares (previous year 500) of Tech Mahindra (Bahrain) Limited S.P.C. of BD 100 each fully paid-up	6	6
153,040,026 Equity Shares (previous year 153,040,026) of Tech Mahindra (Nigeria) Limited of Naira 1 each fully paid up	46	46
50,000 Equity Shares (previous year Nil) of Hutchison Global Services Limited of ₹ 10 each fully paid up (refer note 27)	4,873	-
12,172,658 Equity Shares (previous year Nil) of Comviva Technologies Limited of ₹ 10 each fully paid up (refer note 28)	1,862	-
Nil Preference Shares (previous year Nil) of Comviva Technologies Limited of ₹ 10 each fully paid up (refer note 28)	-	-
51 Equity Shares (previous year Nil) of Tech Mahindra South Africa (Pty) Limited of 1 ZAR each fully paid up (refer note 29)	0	-
	38,067	31,331

Note 12: Non-Current Investments (Contd.)

	As at March 31, 2013	₹ in Million As at March 31, 2012
In Other Company		
In Equity Shares:		
4,232,622 Ordinary Shares (previous year 4,232,622) of Servista Limited of GBP 0.002 each fully paid up	1	1
In Preference Shares:		
1,603,380 E1 Preference Shares (previous year 1,603,380) of Servista Limited of GBP 0.002 each fully paid up	54	54
896,620 E2 Preference Shares (previous year 896,620) of Servista Limited of GBP 0.002 each fully paid up	30	30
	<u>85</u>	<u>85</u>
Less : Provision for Diminution (refer note 25)	<u>85</u>	<u>85</u>
	-	-
Non Trade (Unquoted - at cost)		
Treasury Bonds and Bills (refer note 2 below)	8	1
	<u>8</u>	<u>1</u>
	<u>38,075</u>	<u>31,332</u>

Note :

1. Includes ₹ **360 Million** (previous year: ₹ 360 Million) invested towards capital reserve of the company in accordance with the German Commercial Code
2. As per statutory requirements for overseas branches
3. Investment in this entity is not denominated in number of shares as per laws of the People's Republic of China.

₹ in Million

Particulars	As at March 31, 2013	As at March 31, 2012
Aggregate amount of Quoted Investments	-	-
Aggregate amount of Unquoted Investments	38,514	31,771
Aggregate amount of Provision for Diminution in value of Investments	439	439

Statement showing percentage of holding

Name of the Body Corporate	As at March 31, 2013	As at March 31, 2012
Tech Mahindra (Americas) Inc.	100.00%	100.00%
Tech Mahindra GmbH	100.00%	100.00%
Tech Mahindra (Singapore) Pte. Limited	100.00%	100.00%
Tech Mahindra (Thailand) Limited	100.00%	100.00%
Tech Mahindra Foundation	100.00%	100.00%
PT Tech Mahindra Indonesia	100.00%	100.00%
CanvasM Technologies Limited	100.00%	100.00%
Tech Mahindra (Malaysia) Sdn Bhd	100.00%	100.00%
Tech Mahindra (Beijing) IT Services Limited	100.00%	100.00%
Venturbay Consultants Private Limited	100.00%	100.00%
Mahindra Logisoft Business Solutions Limited	100.00%	100.00%
Tech Mahindra (Bahrain) Limited S.P.C.	100.00%	100.00%
Tech Mahindra (Nigeria) Limited	100.00%	100.00%
Tech Talenta, Inc.	100.00% #	100.00% #
Hutchison Global Services Limited (refer note 27)	100.00%	-
Comviva Technologies Limited (refer note 28)	55.67%	-
Comviva Technologies Inc., (refer note 28)	55.67%	-
Comviva Technologies Nigeria Limited (refer note 28)	55.67%	-
Comviva Technologies Singapore Pte Ltd (refer note 28)	55.67%	-
Comviva Technologies FZ-LLC (refer note 28)	55.67%	-
Tech Mahindra South Africa (Pty) Limited (refer note 29)	51.00%	-
Satyam Computer Services Limited	42.63% #	42.64% #
# through one of the subsidiary		

Note 13: Long-Term Loans and Advances

	As at March 31, 2013	₹ in Million As at March 31, 2012
(Unsecured, considered good unless otherwise stated)		
(a) Capital Advances		
(i) Considered Good	116	122
(ii) Considered Doubtful	5	5
	<u>121</u>	<u>127</u>
Less: Provision	5	5
	<u>116</u>	<u>122</u>
(b) Security Deposits		
(i) Considered Good	487	671
(ii) Considered Doubtful	16	15
	<u>503</u>	<u>686</u>
Less: Provision	16	15
	<u>487</u>	<u>671</u>
(c) Loan to Subsidiary - Tech Mahindra (Nigeria) Limited	109	51
(d) Advances to Related Parties (refer note 42)		
(i) Considered Good	52	-
(ii) Considered Doubtful	28	-
	<u>80</u>	<u>-</u>
Less: Provision (refer note 49)	28	-
	<u>52</u>	<u>-</u>
(e) VAT Receivable	0	9
(f) Advance Income Taxes (Net of provisions)	2,806	1,766
(g) Advance Fringe Benefit Tax (Net of provisions)	14	16
(h) Balance with Excise and Customs	312	-
(i) Advances recoverable in cash or in kind for value to be received		
(i) Considered Good	600	706
(ii) Considered Doubtful	26	-
	<u>626</u>	<u>706</u>
Less: Provision	26	-
	<u>600</u>	<u>706</u>
	<u>4,496</u>	<u>3,341</u>

Note 14: Current Investments

	As at March 31, 2013	₹ in Million As at March 31, 2012
Current Investments -(Unquoted - at cost)		
Investment in Mutual Funds		
Nil (previous year 601,500.17) units of ₹1000.25 IDFC Cash Fund - Super Inst Plan C - Daily Dividend plan	-	602
Nil (previous year 6,003,769.20) units of ₹100.20 Birla Sun Life Cash Plus Inst. Prem. Daily Dividend - Reinvestment plan	-	601
	<u>-</u>	<u>1,203</u>
Aggregate amount of Quoted Investments	-	-
Aggregate amount of Unquoted Investments	-	1,203
Aggregate amount of Provision for Diminution in value of Investments	-	-

Note 15: Trade Receivables

Trade Receivables (Unsecured) #		
(a) Over six months		
(i) Considered Good*	846	210
(ii) Considered Doubtful (refer note 40)	551	298
(b) Others		
(i) Considered Good**	12,879	12,221
(ii) Considered Doubtful	10	160
	<u>14,286</u>	<u>12,889</u>
Less: Provision for Doubtful Receivables (refer note 40)	561	458
	<u>13,725</u>	<u>12,431</u>

refer note 42

- * Net of advances aggregating to ₹ **273 Million** (previous year: ₹ 63 Million) pending adjustments with invoices
- ** Net of advances aggregating to ₹ **638 Million** (previous year: ₹ 304 Million) pending adjustments with invoices

Note 16: Cash and Cash equivalents

	As at March 31, 2013	₹ in Million As at March 31, 2012
(a) Cash and Cash Equivalents		
(i) Balances with Banks		
In Current Accounts	2,687	1,369
In Deposit Accounts with original maturity of less than 3 months.	18	15
	2,705	1,384
(b) Earmarked Balances with Banks	6	5
	2,711	1,389

Note 17: Short-Term Loans and Advances

(Unsecured, considered Good unless otherwise stated)

(a) Advances to Related Parties * (refer note 42)		
Considered Good	399	402
* Non Interest bearing, in normal course of business.		
(b) MAT Credit Entitlement (refer note 47)	-	233
(c) Balance with Excise and Customs	1,869	1,278
(d) Lease receivable		
(i) Considered Good	-	-
(ii) Considered Doubtful (refer note 40)	231	231
	231	231
Less: Provision (refer note 40)	231	231
	-	-
(e) Advances recoverable in cash or in kind or for value to be received		
(i) Considered Good	1,042	834
(ii) Considered Doubtful (refer note 40)	96	96
	1,138	930
Less: Provision (refer note 40)	96	96
	1,042	834
	3,310	2,747

Note 18: Other Income

	Year Ended March 31, 2013	₹ in Million Year Ended March 31, 2012
(a) Interest on:		
Deposit with Banks	1	2
Others	17	68
	<u>18</u>	<u>70</u>
(b) Foreign Exchange Gain /(Loss) - Net	(1,291)	372
(c) Rent Income	35	70
(d) Dividend Received on Current Investments	10	3
(e) Sundry Balances Written Back	166	128
(f) Miscellaneous Income	110	34
	<u>(952)</u>	<u>677</u>

Note 19: Employee Benefits Expense

(a) Salaries and Bonus (refer note 54)	22,732	20,312
(b) Contribution to Provident and Other Funds (refer note 34 and 54)	1,381	1,156
(c) Gratuity (refer note 34)	208	273
(d) Employee Stock Compensation Cost (refer note 41)	500	412
(e) Staff Welfare Expenses	317	472
	<u>25,138</u>	<u>22,625</u>

Note 20: Operating and Other Expenses

	Year Ended March 31, 2013	₹ in Million Year Ended March 31, 2012
(a) Power and Fuel	600	550
(b) Rent	971	1,240
(c) Rates and Taxes	64	94
(d) Communication Expenses	674	606
(e) Travelling Expenses [Net of recoveries ₹ 142 Million (previous year ₹ 339 Million) refer note 54]	1,955	2,966
(f) Recruitment Expenses	74	86
(g) Training	91	98
(h) Hire Charges	355	314
(i) Professional and Legal Fees (refer note 35)	561	423
(j) Repairs and Maintenance :		
Buildings (Including Leased Premises)	110	127
Machinery and Computers	294	291
Others	108	109
	512	527
(k) Insurance	326	279
(l) Software, Hardware and Project Specific Expenses	619	1,070
(m) Claims and Warranties (net) (refer note 50)	1	(104)
(n) Advertising, Marketing and Selling Expenses	50	65
(o) General Office Expenses	402	412
(p) (Profit) / Loss on Sale of Fixed Assets (net)	(21)	(1)
(q) Provision for Doubtful Receivables and Bad Debts (net)	103	174
(r) Provision for Doubtful Advances and Deposits	54	(36)
(s) Bad Debts Written Off	16	-
(t) Advances Written Off	13	81
(u) Donations	99	69
(v) Miscellaneous Expenses	54	55
	7,573	8,968

Note 21: Finance Costs

(a) Interest expense:		
On Debentures and Long term Loans	615	617
On Short Term Loans and Cash Credit	89	155
On Inter Corporate Deposit	231	-
	935	772
(b) Other Borrowing Costs	-	3
(c) Foreign Currency Translations	155	250
	1,090	1,025

Notes on Accounts:

22. The estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for as at March 31, 2013 ₹ **369 Million** (previous year: ₹ 443 Million).
23. Contingent Liabilities:
- a) The Company has received demand notices from Income Tax Authorities resulting in a contingent liability of ₹ **3,843 Million** (previous year ₹ 946 Million). This is mainly on account of the following:
 - (i) An amount of ₹ **508 Million** (previous year: ₹ 140 Million) relating to Transfer pricing adjustment on account of arm's length transactions;
 - (ii) An amount of ₹ **568 Million** (previous year: ₹ 790 Million) on account of adjustment of expenditure in foreign currency being excluded only from Export turnover and not from Total turnover. The Company has already won the appeal before the Income Tax Appellate Tribunal (ITAT) for the Assessment Year 2003-04 & before the Commissioner of Income Tax (Appeals) (CIT(A)) for Assessment Year 2004-05, 2005-06 & 2007-08. Income Tax Department is in appeal before the Honourable High Court for Assessment Year 2003-04 against the ITAT Order & before ITAT for Assessment Year 2004-05, 2005-06 and 2007-08 against the CIT(A) Order. For the Assessment Year 2009-10 the Company has received an order, against which the Company intend to file an appeal before CIT(A).
 - (iii) An amount of ₹ **2,751 Million** (previous year : ₹ Nil) relating to denial of deduction under section 10A of the Income Tax Act, 1961 on the transfer pricing adjustment. Company has filed an appeal before CIT(A).
 - (iv) an amount of ₹ **16 Million** (previous year: ₹ 16 Million) relating to Fringe Benefit Tax. The Company has won the appeal before the CIT (A) and the Income Tax Department has appealed against the said order before ITAT.
 - b) The Company has received demand notices from Service Tax Authorities amounting to ₹ **314 Million** (net of provision), (previous year: ₹ 166 Million) out of which:
 - (i) ₹ **77 Million** (previous year: ₹ 77 Million) relates to marketing and onsite services rendered by overseas subsidiaries for the financial years 2004-05 to 2007-08 for erstwhile Tech Mahindra (R & D Services) Limited (TMRDL). An amount of ₹ **7 Million** (previous year: ₹ 7 Million) has been paid "under protest".
 - (ii) ₹ **13 Million** (previous year: ₹ 13 Million) pertains towards services provided under Management Consultancy services for the Company for which the Company has filed an appeal against the same.
 - (iii) The Company has received an order from Customs, Excise & Service Tax Appellate Tribunal (CESTAT) in March 2013, wherein the refunds claimed by the Company for the period upto February 2010 amounting to ₹ **224 Million** has been disallowed. The Company is in process of filing an appeal before the Honorable High Court.
 - c) Outstanding Bank Guarantees amounts to ₹ **1,063 Million** (previous year: ₹ 1,085 Million)
24. The Company has investment (unquoted) in its 100 % subsidiary, Tech Mahindra GmbH (TMGMBH) aggregating to ₹ **389 Million** (previous year: ₹ 389 Million) which is held as strategic long-term investment. The Company had made provision in the year ended March 31, 2005, to the extent of accumulated losses in TMGMBH aggregating to ₹ **354 Million** (previous year: ₹ 354 Million) towards diminution in the value of its investment. TMGMBH has started earning profits from financial year 2006-07 onwards, however TMGMBH still has accumulated losses as of March 31, 2013 and in view of this, no change in provision is required.
25. In September 2008, the Company had made an investment of ₹ 85 Million which was equal to 17.28% of the equity share capital of Servista Limited, a leading European system integrator. With this investment, the Company became Servista's exclusive delivery arm for three years and would assist Servista in securing more large scale European IT off shoring business. Subsequently, the business plan of Servista was adversely affected by the economic downturn and it continued to incur losses and therefore, Servista in June 2009 decided to close down its operations. Hence, the Company made a provision of ₹ 85 Million in the year ended March 31, 2010 as diminution in the value of its investments in Servista. As of March 31, 2013, Servista is in process of winding up and in the view of the management, the Company would have no further unrecorded obligations towards settlement of any further liability.

26. The Company has on July 21, 2010 incorporated a Company in Brazil under the name of Tech Mahindra Brazil Servicecos De Informatica Ltda. (TMBSDIL). Subsequently, the Company was wound-up on December 18, 2012. There were no transactions in this entity during the period from commencement to its winding up.
27. On September 4, 2012, the Company acquired 100% stake in equity of Hutchison Global Services Private Limited (HGS) (converted to Public Ltd w.e.f. December 27, 2012) for **US \$ 87.1 Million (₹ 4,851 Million)**, paid up front and hence HGS became the wholly owned subsidiary of the Company effective September 4, 2012. HGS provides customer lifecycle operations to clients in UK, Ireland and Australia and has an associate base of over 11,500 employees. The Company has incurred expenditure of **₹ 22 Million** on acquisition of the said equity shares in HGS and the same has been added to the cost of investment.

Further in September 2012, the Company has infused an additional amount of **₹ 0.40 Million** in the equity of HGS.

28. The Company entered in a Share Purchase Agreement on September 17, 2012 with the promoters (existing shareholders) of Comviva Technologies Limited for acquiring 51% stake on a fully diluted basis in Comviva Technologies Limited ("Comviva"), a global leader in providing mobile Value Added Services (VAS), for a consideration not exceeding ₹ 2,600 Million. After getting the necessary approvals from Reserve Bank of India, on December 13, 2012, the Company made an upfront payment of **₹ 1,249 Million** and purchased 6,676 826 Equity Shares of ₹ 10 each (47.02 % of the then equity share capital) and 5,492,832 Series A - 0.001% Fully Convertible and Non-Cumulative Preference Shares ("Preference Shares") of ₹ 10 each and on the same day, 4 nominees of the Company were appointed as Directors on the Board of Comviva and thus Comviva became a subsidiary of the Company w.e.f December 13, 2012 by virtue of management control. Some of the existing promoters will continue to hold a 20% stake on a fully diluted basis in Comviva.
- Further, the Company has accounted for a liability of **₹ 179 Million** for the "Guaranteed Amount" payable in April 2014 and a liability for Earnout payment of **₹ 434 Million**, on achievement of performance target for 2012-13, payable in FY 2013-14. The balance amount will be payable over next four years on Comviva achieving certain agreed performance target.
 - Effective March 5, 2013, 5,492,832 Preference Shares which were held by the Company, were converted in equivalent number of Equity Shares.
 - On March 13, 2013, as per the Share Purchase Agreement, the Company announced an open offer to certain category of equity shareholders of Comviva who were holding 2,534,575 fully paid-up equity shares, at a maximum aggregate price of ₹ 238.90 per share. As per the open offer, Company shall make a payment of ₹ 102.67 per share as upfront payment, ₹ 35.62 per share payable in FY 2013-14 and ₹ 14.67 per share payable in April 2014. The balance amount of ₹ 85.94 per share shall be paid during the period April 2014 to October 2017, based on Comviva achieving mutually agreed performance target. Against this open offer, one shareholder holding 3,000 shares accepted and transferred its equity shares in the name of Tech Mahindra Limited in the last week of March 2013. Post March 31, 2013, shareholders of Comviva holding **374,229** equity shares have accepted this offer.

As at March 31, 2013, the Company holds 55.67 % of the equity share capital of Comviva.

29. On December 5, 2012, the Company entered into a Share Purchase Agreement for acquiring 51% stake in equity of Next Level Technologies (Proprietary) Limited ("Next Level"), a private Company registered in South Africa engaged in Information, Communication and Technology business for a consideration of ₹ 0.0003 Million. On March 20, 2013, the consideration of **₹ 0.0003 Million** was paid to the existing shareholders and the equity shares were transferred in the name of Tech Mahindra Limited. Accordingly, Next Level became a subsidiary of the Company effective March 20, 2013.

Further, the name of Next Level has been changed to Tech Mahindra South Africa (Pty) Limited.

30. Effective April 2, 2013, the Company has taken over the TA/LAB equipments and 7 associates as TUPE from Sony Mobile Communication AB Sweden vide its agreement entered on March 21, 2013 for a purchase consideration of USD 6.5 Million (**₹ 353 Million**). As per the terms of agreement, the Company shall provide free of cost services for next three years as a purchase consideration. This transaction, being effective from April 2, 2013, would be accounted for, in the financial statements of the next financial year i.e. 2013-14.

31. During the year ended March 31, 2013, the Company has invested an additional amount of ₹ 1 Million in the equity of its 100 % subsidiary Company Tech Mahindra (Beijing) IT Services Limited.
32. On August 31, 2012, British Telecommunications Plc. (promoter of the Company) sold 17,935,484 equity shares in the open market and their holding in the Company came down to 9.10%. As a consequence of this, the Joint Venture agreement between Mahindra and Mahindra Limited and British Telecommunications Plc. ("promoters of the Company") stands terminated. As a result of this, British Telecommunications Plc. is no longer a related party of the Company effective August 31, 2012.

Further, on December 12, 2012, British Telecommunications Plc. sold the balance 11,611,439 equity shares in the open market.

33. During the year ended March 31, 2010, a customer of the Company restructured its long term contracts with the Company effective April 01, 2009 which involves changes in commercial terms, including rate reduction, and other agreed contract terms. As per the amended contracts, the customer had paid the Company restructuring fees amounting to ₹ 9,682 Million. The services under the restructured contracts would continue to be rendered over the life of the contract. The restructuring fees received have been amortized and recognized as revenue over the term of the contract on a straight line basis.

An amount of ₹ **2,005 Million** (previous year: ₹ 2,005 Million) has been recognized as revenue for the current year and the balance amount of ₹ **1,662 Million** (previous year: ₹ 3,667 Million) has been carried forward and disclosed as Deferred Revenue in the Balance Sheet. In addition, it also includes contract termination fees received from a customer which is amortised and accounted as revenue, to the extent there is a continuing customer involvement.

34. Details of employee benefits as required by the Accounting Standard 15 (Revised) – Employee Benefits are as under:

a) Defined Contribution Plan

Amount recognized as an expense in the Statement of Profit and Loss for the year ended March 31, 2013 in respect of defined contribution plan is ₹ **822 Million** (previous year : ₹ 858 Million).

b) Defined Benefit Plan

The defined benefit plan comprises of gratuity. The gratuity plan is not funded. Changes in the present value of defined obligation representing reconciliation of opening and closing balances thereof and fair value of Trust Fund Receivable (erstwhile TMRDL) showing amount recognized in the Balance Sheet:

Particulars	₹ in Million	
	As at March 31, 2013	As at March 31, 2012
Projected benefit obligation, beginning of the year*	1,071	908
Service cost	233	213
Interest cost	88	66
Actuarial (Gain) / Loss	(110)	(3)
Benefits paid	(105)	(113)
Trust Fund Receivable (erstwhile TMRDL)*	(38)	(35)
Projected benefit obligation, at the end of the year	1,139	1,036

* The Trust fund was created to fund the gratuity liability of the erstwhile TMRDL. After amalgamation of TMRDL with the Company, the balance in Trust Fund can be utilized only for the payment of obligation arising for gratuity payable to employees of erstwhile TMRDL. The composition of the Trust Balance as on March 31, 2013 is as follows:

₹ in Million

Particulars	As at March 31, 2013	As at March 31, 2012
Government of India Securities / Gilt Mutual Funds	9	9
State Government Securities / Gilt Mutual Funds	4	5
Public Sector Unit Bonds	13	13
Private Sector Bonds / Equity Mutual Funds	0	0
Mutual Funds	0	0
Bank Balance	12	8
Total	38	35

Components of expense recognized in the Statement of Profit and Loss for the year ended March 31, 2013 is as follows:

₹ in Million

Particulars	For the year ended	
	March 31, 2013	March 31, 2012
Service cost	233	213
Interest cost	88	66
Expected Return on Plan Assets	(3)	(3)
Actuarial (Gain)/Loss	(110)	(3)
Total	208	273

Experience Adjustments

₹ in Million

Particulars	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
1. Defined Benefit Obligation	(1,177)	(1,071)	(908)	(796)	(692)
2. Fair value of plan assets	38	35	33	31	31
3. Surplus/(Deficit)	(1,139)	(1,036)	(875)	(765)	(661)
4. Experience adjustment on plan liabilities Gain/(Loss)	130	30	74	95	8
5. Experience adjustment on plan assets Gain/(Loss)	(0)	(1)	(1)	2	0
6. Actuarial Gain/(Loss) due to change on assumptions	(20)	(25)	(2)	31	11

Principal Actuarial Assumptions	As at March 31, 2013	As at March 31, 2012
Discount Rate	8%	8.60%
Rate of increase in compensation levels of covered employees	9%	11.00% for the 1st Year 9 % thereafter

- The discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated terms of the obligations.
- Salary escalation rates: The estimates of future salary increase is considered taking into account the inflation, seniority, promotion and other relevant factors.

35. Payment to Auditors (net of service tax):

₹ in Million

Particulars	For the year ended March 31, 2013	For the year ended March 31,2012
Audit Fees (including quarterly audits)	7	7
For other services	4	3
For taxation matters	1	1
For reimbursement of expenses	0	0
Total	12	11

36. a) Value of Imports on C.I.F. Basis:

₹ in Million

Particulars	For the year ended March 31, 2013	For the year ended March 31,2012
Raw materials	Nil	Nil
Components and spare parts	8	9
Capital goods	293	637
Total	301	646

b) Expenditure in Foreign Currency:

₹ in Million

Particulars	For the year ended March 31, 2013	For the year ended March 31,2012
Salaries	7,771	4,798
Subcontracting Cost	13,900	11,333
Travelling Expenses	1,163	2,702
Professional Fees	252	410
Software / Hardware	236	272
Foreign Taxes	279	303
Others	1,105	1,016
Total	24,706	20,834

37. Remittances in foreign currencies for dividends:

The Company does not have complete information as to the extent to which remittances in foreign currencies on account of dividends have been made by or on behalf of non-resident shareholders.

The particulars of dividends declared during the year and paid to non – resident shareholders are as under

Dividend relating to Financial Year	Dividend paid in Financial Year	Number of Shareholders	Number of Equity Shares	Amount remitted ₹ in Million
Final Dividend				
2011-2012	2012-13	11	29,689,904	119
2010-2011	2011-12	10	29,691,404	119

38. Earnings in foreign currency:

₹ in Million

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Income from Services	55,497	47,028
Rent Received	2	41
Interest Received	7	5
Others	3	-
Total	55,509	47,074

39. Assets taken / given on Lease:

- a) The Company has taken premises on operating lease for a period of one to ten years. The expense on such lease rentals recognized in the Statement of Profit and Loss for the year ended March 31, 2013 is ₹ **898 Million** (previous year: ₹ 1,137 Million). The future lease payments of such operating lease are as follows:

₹ in Million

Particulars	Not later than 1 year	Later than 1 year not later than 5 years	Later than 5 years
Minimum Lease rentals payable (previous year: ₹ 869 Million, ₹ 2,418 Million and ₹ 376 Million respectively)	723	1,535	277

- b) The Company has taken computers and its related equipments on operating lease for a period of one to five years. The expense on such lease rentals recognized in the Statement of Profit and Loss for the year ended March 31, 2013 is ₹ **36 Million** (previous year: ₹ 40 Million). The future lease payments of operating lease are as follows:

₹ in Million

Particulars	Not later than 1 year	Later than 1 year not later than 5 years	Later than 5 years
Minimum Lease rent payable (previous year: ₹ 26 Million, ₹ 36 Million and ₹ Nil respectively)	11	27	Nil

- c) The Company has given premises on operating lease for a period of one to five years. The rental income recognized in the Statement of Profit and Loss for the year ended March 31, 2013 is ₹ **35 Million** (previous year: ₹ 70 Million). The future lease rent receivable on such premises given on operating lease are as follows:

₹ in Million

Particulars	Not later than 1 year	Later than 1 year not later than 5 years	Later than 5 years
Minimum Lease rent receivable (previous year: ₹ 12 Million, ₹ 35 Million and ₹ Nil respectively)	35	26	Nil

40. The Honorable Supreme Court vide its order dated February 2, 2012 cancelled 2G licenses issued to some of 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 had made provision of ₹ 679 Million in previous year ended March 31, 2012 on account of likely impairment in the carrying value of the related assets.

41. a) The Company has instituted "Employee Stock Option Plan 2000" (ESOP) for eligible employees and Directors of the Company and its subsidiaries. In terms of the said plan, the Company has granted options to the eligible employees which vest at the rate of 33.33% on each successive anniversary of the grant date. The options can be exercised over a period of 5 years from the date of grant. Each option carries with it the right to purchase one equity share of the Company at the exercise price determined by the Company on the basis of fair value of the equity shares at the time of grant.

The details of the options are as under:

Particulars	For the year ended March 31, 2013	For the year ended March 31,2012
Options outstanding at the beginning of the year	448,500	-
Options granted during the year	-	494,500
Options lapsed during the year	-	-
Options cancelled during the year	41,470	46,000
Options exercised during the year	14,200	-
Options outstanding at the end of the year	392,830	448,500

Out of the options outstanding at the end of the year ended March 31, 2013, there are **131,120** (previous year: Nil) (Net of exercised & lapsed) vested options, which have not been exercised.

- b) The Company has instituted "Employee Stock Option Plan 2004" (ESOP 2004) for eligible employees and Directors of the Company and its subsidiaries. In terms of the said Plan, the Compensation and Nomination Committee has granted options to employees of the Company. The options are divided into upfront options and Performance options. The Upfront Options are divided into three sets which will entitle holders to subscribe to option shares at the end of first year, second year and third year. The vesting of the Performance Options will be decided by the Compensation and Nomination Committee based on the performance of employees.

Particulars	For the year ended March 31, 2013	For the year ended March 31,2012
Options outstanding at the beginning of the year	2,235,134	2,935,134
Options granted during the year	-	-
Options lapsed during the year	-	-
Options cancelled during the year	-	-
Options exercised during the year	-	700,000
Options outstanding at the end of the year	2,235,134	2,235,134

Out of the options outstanding at the end of the year ended March 31, 2013, there are **2,235,134** (previous year: 2,235,134) (Net of exercised & lapsed) vested options, which have not been exercised.

- c) The Company has instituted "Employee Stock Option Plan 2006" (ESOP 2006) for eligible employees and Directors of the Company and its subsidiaries. In terms of the said plan, the Compensation and Nomination Committee has granted options to the employees of the Company. The vesting of the options is 10%, 15%, 20%, 25%, and 30 % of total options granted after 12, 24, 36, 48 and 60 months, respectively from the date of grant. The maximum exercise period is 7 years from the date of grant.

The details of the options are as under:

Particulars	For the year ended March 31, 2013	For the year ended March 31,2012
Options outstanding at the beginning of the year	1,931,883	2,529,103
Options granted during the year	116,000	539,500
Options lapsed during the year	71,778	-
Options cancelled during the year	171,790	305,660
Options exercised during the year	512,490	831,060
Options outstanding at the end of the year	1,291,825	1,931,883

Out of the options outstanding at the end of year ended March 31, 2013, there are **571,225** (previous year: 1,090,008) (net of exercised & lapsed) vested options, which have not been exercised.

- d) The Company has instituted "Employee Stock Option Plan 2010 "(ESOP 2010) for eligible employees and Directors of the Company and its subsidiaries. In terms of the said Plan, options to the employees and Directors in form of Options shall vest at the rate of 33.33% on each successive anniversary of the grant date. The options can be exercised over a period of 5 years from the date of grant. Each Option carries with it the right to purchase one equity share of the Company at the exercise price determined by Compensation and Nomination Committee.

The details of the options are as under:

Particulars	For the year ended	
	March 31, 2013	March 31, 2012
Options outstanding at the beginning of the year	2,278,500	1,600,000
Options granted during the year	10,000	683,500
Options lapsed during the year	-	-
Options cancelled during the year	15,834	5,000
Options exercised during the year	105,792	-
Options outstanding at the end of the year	2,166,874	2,278,500

Out of the options outstanding at the end of year ended March 31, 2013, there are **1,189,404** (previous year: 533,280) (net of exercised & lapsed) vested options, which have not been exercised

- e) The Company uses the intrinsic value-based method of accounting for stock options granted after April 1, 2005. Had the compensation cost for the Company's stock based compensation plan been determined in the manner consistent with the fair value approach based on black and Scholes model, the Company's net profit would be lower by **₹ 70 Million** (previous year lower by ₹ 32 Million) and earnings per share as reported would be as indicated below:

₹ in Million except earnings per share

Particulars	For the Year ended	
	March 31, 2013	March 31, 2012
Net profit after tax (As reported)	6,525	4,606
Add/(Less): Total stock-based employee compensation expense determined under fair value base method	(70)	(32)
Adjusted net profit	6,455	4,574
Basic earnings per share (in ₹)		
- As reported	51.10	36.27
- Adjusted	50.56	36.01
Diluted earnings per share (in ₹)		
- As reported	48.99	34.86
- Adjusted	48.46	34.61
The fair value of each option is estimated on the date of grant based on the following assumptions (on weighted average basis):		
Particulars	For the Year ended	
	March 31, 2013	March 31, 2012
Dividend yield (%)	0.55	0.50
Expected life	5.11 years	4.07 years
Risk free interest rate (%)	8.31	8.54
Volatility (%)	50.29	52.72

- f) The stock compensation cost for the Employee Stock Option Plan 2010 issued at par has been computed under the intrinsic value method and amortized on a straight line basis over the total vesting period of three years. For the year ended March 31, 2013 the Company has accounted for stock compensation expense amounting to ₹ **500 Million** (previous year: ₹ 412 Million).
42. As required under Accounting Standard 18 "Related Party Disclosures" (AS – 18), following are details of transactions during the year with the related parties of the Company as defined in AS – 18:
- a) List of Related Parties and Relationships:

Name of Related Party	Relation
Mahindra & Mahindra Limited	Promoter/Enterprise having significant Influence
British Telecommunications Plc. (refer note 32)	Promoter
Mahindra BT Investment Company (Mauritius) Limited	Promoter/Enterprise having significant Influence
Tech Mahindra (Americas) Inc. and its following 100 % subsidiaries	100% Subsidiary Company
• Tech Talenta, Inc.	100% Subsidiary Company
Tech Mahindra GmbH	100% Subsidiary Company
Tech Mahindra (Singapore) Pte. Limited	100% Subsidiary Company
Tech Mahindra (Thailand) Limited	100% Subsidiary Company
PT Tech Mahindra Indonesia	100% Subsidiary Company
CanvasM Technologies Limited	100% Subsidiary Company
CanvasM (Americas) Inc. @	100% Subsidiary Company
Tech Mahindra (Malaysia) Sdn. Bhd	100% Subsidiary Company
Tech Mahindra (Beijing) IT Services Limited	100% Subsidiary Company
Venturbay Consultants Private Limited	100% Subsidiary Company
Tech Mahindra Foundation #	100% Subsidiary Company
Mahindra Logisoft Business Solutions Limited	100% Subsidiary Company
Tech Mahindra (Nigeria) Limited	100% Subsidiary Company
Tech Mahindra (Bahrain) Limited. S.P.C.	100% Subsidiary Company
Tech Mahindra Brasil Servicecos De Informatica Ltd. (refer note 26)	100% Subsidiary Company
Hutchison Global Services Limited \$	100% Subsidiary Company
Comviva Technologies Limited and its following 100 % subsidiaries:	55.67% Subsidiary Company (refer note 28)
• Comviva Technologies Inc.,	
• Comviva Technologies Nigeria Limited	
• Comviva Technologies Singapore Pte. Ltd	
• Comviva Technologies FZ-LLC	
Tech Mahindra South Africa (Pty) Limited (refer note 29)	51% Subsidiary Company
Satyam Computer Services Limited	Associate Company

Name of Related Party	Relation
Satyam BPO Limited	Associate Company
Satyam Computer Services (Shanghai) Co. Limited	Associate Company
New vC Services Private Limited	Associate Company
vCustomer Philippines, Inc	Associate Company
Mr. Vineet Nayyar	Key Management Personnel
Executive Vice Chairman *	
Mr. C.P. Gurnani	
Managing Director **	

@ Merged with Tech Mahindra (Americas) Inc., USA w.e.f. September 1, 2012

Section 25 Company not considered for consolidation

\$ W.e.f. September 4, 2012 and converted to public limited Company w.e.f. December 27, 2012

* Appointed as Executive Vice Chairman w.e.f. August 10, 2012 (Vice Chairman and Managing Director till August 9, 2012)

** Appointed as Managing Director w.e.f. August 10, 2012.

b) Related Party Transactions for the year ended March 31, 2013:

Transactions	₹ in Million	
	For the year ended March 31, 2013	For the year ended March 31, 2012
Income from Services		
<i>Promoters</i>		
Mahindra & Mahindra Limited	37	37
British Telecommunications Plc.	10,755	19,888
Sub Total	10,792	19,925
<i>Subsidiaries</i>		
Tech Mahindra (Americas) Inc.	722	2
Tech Mahindra GmbH	143	141
Tech Mahindra (Singapore) Pte. Limited	53	88
Tech Mahindra (Thailand) Limited	-	0
PT Tech Mahindra Indonesia	65	70
CanvasM Technologies Limited	3	2
Tech Mahindra (Malaysia) Sdn. Bhd.	301	259
Tech Mahindra (Beijing) IT Services Limited.	2	6
Tech Mahindra (Bahrain) Limited. S.P.C	410	517
Tech Mahindra (Nigeria) Limited	63	101
CanvasM (Americas) Inc.	-	8
Sub Total	1,762	1,194
<i>Associate</i>		
Satyam Computer Services Limited	738	373
Sub Total	738	373

Transactions	For the year ended March 31, 2013	For the year ended March 31, 2012
Sub-Contracting Costs		
<i>Subsidiaries</i>		
Tech Mahindra (Americas) Inc.	8,670	6,667
Tech Mahindra GmbH	572	724
Tech Mahindra (Singapore) Pte Limited	141	185
Tech Mahindra (Thailand) Limited	3	3
CanvasM Technologies Limited	1,180	416
Tech Mahindra (Malaysia) Sdn. Bhd.	312	230
Tech Mahindra (Beijing) IT Services Limited.	15	18
Tech Mahindra (Bahrain) Limited. S.P.C	335	456
Mahindra Logisoft Business Solutions Limited	-	3
Sub Total	11,228	8,702
<i>Associates</i>		
Satyam Computer Services Limited	547	458
Satyam BPO Limited	255	224
Satyam Computer Services (Shanghai) Co. Ltd.	5	1
New vC Services Private Limited	9	-
Sub Total	816	683
Reimbursement of Expenses - Paid/ (Received) (Net)		
<i>Promoters:</i>		
Mahindra & Mahindra Limited	9	7
British Telecommunications Plc.	(104)	(218)
Sub Total	(95)	(211)
<i>Subsidiaries</i>		
Tech Mahindra (Americas) Inc.	(189)	(218)
Tech Mahindra GmbH	63	25
Tech Mahindra (Singapore) Pte Limited	(1)	(13)
Mahindra Logisoft Business Solutions Limited	2	(0)
Tech Mahindra (Thailand) Limited	0	0
PT Tech Mahindra Indonesia	(162)	(156)
CanvasM Technologies Limited	(400)	(68)
Tech Mahindra (Malaysia) Sdn. Bhd.	(11)	(48)
Venturbay Consultants Private Limited	(0)	(0)
Tech Mahindra (Beijing) IT Services Limited.	0	-
Tech Mahindra (Bahrain) Limited. S.P.C	(50)	(58)
Tech Mahindra (Nigeria) Limited	39	(11)
Comviva Technologies Limited	7	-
Sub Total	(702)	(547)
<i>Associates</i>		
Satyam Computer Services Limited	(162)	(102)
Satyam BPO Limited	(36)	(48)
New vC Services Private Limited	(15)	-
vCustomer Philippines, Inc	(0)	-
Sub Total	(213)	(150)

Transactions	For the year ended March 31, 2013	For the year ended March 31, 2012
Software, Hardware & Project Specific Expenses		
<i>Subsidiary</i>		
Comviva Technologies FZ-LLC	6	-
Sub Total	6	-
<i>Associate</i>		
Satyam Computer Services Limited	270	592
Sub Total	270	592
Rent Expense		
<i>Promoter</i>		
British Telecommunications Plc.	10	36
Sub Total	10	36
<i>Associate</i>		
Satyam Computer Services Limited	100	129
Sub Total	100	129
Rent Income		
<i>Promoter</i>		
British Telecommunications Plc.	-	41
Sub Total	-	41
<i>Subsidiaries</i>		
Mahindra Logisoft Business Solutions Limited	1	1
CanvasM Technologies Limited	3	3
Sub Total	4	4
<i>Associates</i>		
New vC Services Private Limited	7	-
Satyam Computer Services Limited	13	14
Sub Total	20	14
Services Received		
<i>Promoters:</i>		
Mahindra & Mahindra Limited	7	-
British Telecommunications Plc.	10	21
Sub Total	17	21
Interest Income on Loans		
<i>Subsidiary</i>		
Tech Mahindra (Nigeria) Limited	1	1
Sub Total	1	1
Interest Expense on Inter Corporate Deposits		
<i>Subsidiaries</i>		
Hutchison Global Service Limited	49	-
CanvasM Technologies Limited	20	-
Sub Total	69	-
<i>Associate</i>		
Satyam Computer Services Limited	162	-
Sub Total	162	-

Transactions	For the year ended March 31, 2013	For the year ended March 31, 2012
Donations		
<i>Subsidiary</i>		
Tech Mahindra Foundation	97	67
Sub Total	97	67
Salary, Perquisites & Commission		
<i>Key Management Personnel</i>		
Mr. Vineet Nayyar	56	36
Mr. C. P. Gurnani	35	-
Sub Total	91	36
Stock Options		
<i>Key Management Personnel</i>	**	**
Dividend Paid		
<i>Promoters:</i>		
Mahindra & Mahindra Ltd.	243	243
British Telecommunications Plc.	118	118
Sub Total	361	361
<i>Key Management Personnel</i>		
Mr. Vineet Nayyar	3	3
Mr. C.P. Gurnani	2	-
Sub Total	5	3
Purchase of Fixed Assets		
<i>Associates</i>		
Satyam Computer Services Limited	2	0
New vC Services Private Limited	1	-
Sub Total	3	0
Loan Given		
<i>Subsidiary</i>		
Tech Mahindra (Nigeria) Limited	54	45
Sub Total	54	45
Inter Corporate Deposits Received		
<i>Subsidiaries</i>		
Hutchison Global Service Limited	1,250	-
CanvasM Technologies Limited	350	-
Sub Total	1,600	-
<i>Associate</i>		
Satyam Computer Services Limited	2,500	-
Sub Total	2,500	-
Inter Corporate Deposits Repaid		
<i>Subsidiary</i>		
Hutchison Global Service Limited	1,250	-
Sub Total	1,250	-
Investments made		
<i>Subsidiaries</i>		
Hutchison Global Service Limited	0	-
Tech Mahindra (Beijing) IT Services Limited.	1	-
Tech Mahindra (Nigeria) Limited	-	41
Sub Total	1	41

Balances as at	March 2013	March 2012
Deposits Payable		
<i>Subsidiary</i>		
CanvasM Technologies Limited	15	15
Sub Total	15	15
<i>Associate</i>		
Satyam Computer Services Limited	5	-
Sub Total	5	-
Inter Corporate Deposit Payable		
<i>Subsidiary</i>		
CanvasM Technologies Limited	350	-
Sub Total	350	-
<i>Associates</i>		
Satyam Computer Services Limited	2,500	-
Sub Total	2,500	-
Trade Payables		
<i>Promoters</i>		
Mahindra & Mahindra Ltd.	11	3
British Telecommunications Plc.	-	2
Sub Total	11	5
<i>Subsidiaries</i>		
Tech Mahindra (Americas) Inc., USA	1,335	1,288
Tech Mahindra GmbH	328	209
Tech Mahindra (Singapore) Pte Limited	49	61
Tech Mahindra (Thailand) Limited	8	4
Tech Mahindra Foundation	-	2
Tech Mahindra (Malaysia) Sdn. Bhd	27	58
CanvasM Technologies Limited	428	122
Tech Mahindra (Beijing) IT Services Limited.	19	-
Tech Mahindra (Bahrain) Limited. S.P.C	35	61
Mahindra Logisoft Business Solutions Limited	1	-
Tech Mahindra (Nigeria) Limited	11	7
Comviva Technologies FZ-LLC	6	-
Sub Total	2,247	1,812
<i>Associates</i>		
Satyam Computer Services Limited	937	568
Satyam BPO Limited	84	71
Satyam Computer Services(Shanghai) Co. Ltd.	0	1
New vC Services Private Limited	10	-
Sub Total	1,031	640

Balances as at	March 2013	March 2012
Loan to Subsidiary		
<i>Subsidiary</i>		
Tech Mahindra (Nigeria) Limited	109	51
Sub Total	109	51
Trade Receivables (including Unbilled Revenue)		
<i>Promoters:</i>		
Mahindra & Mahindra Ltd.	22	16
British Telecommunications Plc.	5,224	5,237
Sub Total	5,246	5,253
<i>Subsidiaries</i>		
Tech Mahindra (Americas) Inc.	110	2
Tech Mahindra GmbH	60	29
Tech Mahindra (Singapore) Pte Limited	(2)	(1)
PT Tech Mahindra Indonesia	15	32
Tech Mahindra (Malaysia) Sdn. Bhd	120	50
CanvasM Technologies Limited	2	0
Tech Mahindra (Beijing) IT Services Limited.	9	6
Tech Mahindra (Bahrain) Limited. S.P.C	95	216
CanvasM (Americas) Inc.	-	1
Tech Mahindra (Nigeria) Limited	248	174
Sub Total	657	509
<i>Associates</i>		
Satyam Computer Services Limited	209	115
Sub Total	209	115
Advances to Related Parties		
<i>Subsidiaries</i>		
Tech Mahindra (Americas) Inc.	24	77
Tech Mahindra GmbH	24	22
Tech Mahindra (Singapore) Pte Limited	1	1
PT Tech Mahindra Indonesia	47	154
Tech Mahindra (Malaysia) Sdn. Bhd	8	1
CanvasM Technologies Limited	78	14
Tech Mahindra (Bahrain) Limited. S.P.C	16	19
Tech Mahindra (Beijing) IT Services Limited.	28	22
Tech Mahindra (Nigeria) Limited	52	41
Comviva Technologies FZ-LLC	2	-
Mahindra Logisoft Business Solutions Limited.	0	1
Sub Total	280	352
<i>Associates</i>		
Satyam Computer Services Limited	176	48
Satyam BPO Limited	12	2
New vC Services Private Limited	11	-
vCustomer Philippines, Inc	0	-
Sub Total	199	50

Balances as at	March 2013	March 2012
Payable		
<i>Key Management Personnel</i>		
Mr. Vineet Nayyar	11	11
Mr. C. P. Gurnani	4	-
Sub Total	15	11

** Stock options: Key Management Personnel

	Vineet Nayyar Executive Vice Chairman	C.P.Gurnani Managing Director
Options exercised during the year ended March 31, 2013	- (700,000)	- (-)
Options granted and outstanding at the end of the year	1,992,567 (1,992,567)	1,842,567 (1,842,567)

Figures in brackets “()” are for the Previous year ended March 31, 2013.

43. The tax effect of significant timing differences that has resulted in deferred tax assets are given below:

Particulars	₹ in Million	
	March 31, 2013	March 31, 2012
Deferred Tax Asset :		
Gratuity, Leave Encashment, Superannuation, etc.	263	223
Doubtful Debts	379	311
Depreciation	302	286
Total Deferred Tax Asset	944	820

44. Exchange gain/(loss)(net) accounted during the year :

- The Company enters into Foreign Exchange Forward Contracts and Currency Option Contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than the Indian Rupee. The counter party to the Company's foreign currency Forward Contracts and Currency Option Contracts is generally a bank. These contracts are entered into to hedge the foreign currency risks of certain forecasted transactions. Forward Exchange Contracts and Currency Option Contracts in UK Pound exposure are split into two legs, which are GBP to USD and USD to INR. These contracts are for a period between 1 day and 5 years.
- The following are the outstanding GBP:USD Currency Exchange Contracts entered into by the Company which have been designated as Cash Flow Hedges as at March 31, 2013 :

Type of cover	Amount outstanding in Foreign currency (in Million)	Fair Value Gain / (Loss) (₹ in Million)
Forward	GBP 246 (previous year: 279)	869 (previous year: (50))
Option	Nil (previous year: 12)	Nil (previous year: 258)

The following are the outstanding USD: INR Currency Exchange Contracts entered into by the Company which has been designated as Cash Flow Hedges as at March 31, 2013:

Type of cover	Amount outstanding in Foreign currency (in Million)	Fair Value Gain / (Loss) (₹ in Million)
Forward	USD 1,058 (previous year: 840)	(3,371) (previous year: (2,886))
Option	Nil (previous year: 87)	Nil (previous year: (1028))

Net loss on derivative instruments of ₹ **621 Million** (previous year loss: ₹ 1,206 Million) recognised in hedging reserve as of March 31, 2013 is expected to be reclassified to the Statement of Profit and Loss by March 31, 2014.

The movement in hedging reserve during the year ended March 31, 2013 for derivatives designated as Cash Flow Hedges is as follows:

Particulars	₹ in Million	
	As at March 31, 2013	As at March 31, 2012
Credit/(Debit) Balance at the beginning of the year	(3,535)	412
Gain/(Loss) transferred to income statement on occurrence of forecasted hedge transaction	(464)	(207)
Changes in the fair value of effective portion of outstanding cash flow derivative	585	(4,154)
(Debit)/Credit Balance	(2,486)	(3,535)

Exchange Loss of ₹ **464 Million** (previous year loss: ₹ 207 Million) on foreign exchange forward contracts and currency options contracts have been recognised in the year ended March 31, 2013.

- c) As at March 31, 2013, the Company has net foreign exchange exposures that are not hedged by a derivative instruments or otherwise amounting to ₹ **7,867 Million** (previous year: ₹ 7,074 Million)
45. Particulars of loans/advances and investment in its own shares by listed companies, their subsidiaries, associates, etc, required to be disclosed in the annual accounts of the Company pursuant to Clause 32 of the Listing Agreement. Loans and advances in the nature of loans to subsidiaries and investment in subsidiaries:

Name of the Company	₹ in Million	
	Balance as at March 31, 2013	Maximum outstanding during the year
- Tech Mahindra (Nigeria) Limited	109 (51)	110 (53)

Figures in brackets “()” are for the previous year ended March 31, 2012.

There are no loans and advances in the nature of loans where there is no repayment schedule / repayment beyond seven years / no interest or interest charged below the prevailing bank rate, as prescribed in Section 372A of the Companies Act, 1956 and loans and advances in the nature of loans to firms/companies in which directors are interested.

46. Earnings Per Share is calculated as follows:

₹ in Million except earnings per share

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Net Profit after taxation and before exceptional items	6,525	5,285
Less: Exceptional items	-	679
Net Profit attributable to shareholders	6,525	4,606
Equity Shares outstanding as at the end of the year (in nos.)	128,119,023	127,846,541
Weighted average Equity Shares outstanding as at the end of the year (in nos.)	127,684,331	127,005,143
Weighted average number of Equity Shares used as denominator for calculating Basic Earnings Per Share	127,684,331	127,005,143
Add: Diluted number of Shares		
ESOP outstanding as at the end of the year	5,512,406	5,118,848
Number of Equity Shares used as denominator for calculating Diluted Earnings Per Share	133,196,737	132,123,991
Nominal Value per Equity Share (in ₹)	10.00	10.00
Earnings Per Share		
- Before Exceptional Item		
Earnings Per Share (Basic) (in ₹)	51.10	41.61
Earnings Per Share (Diluted) (in ₹)	48.99	40.00
- After Exceptional Item		
Earnings Per Share (Basic) (in ₹)	51.10	36.27
Earnings Per Share (Diluted) (in ₹)	48.99	34.86

47. Current tax for the year ended March 31, 2013 includes taxes for foreign branches amounting to ₹ **268 Million** (previous year ₹ 287 Million).

Current tax expense for the year ended March 31, 2013 is net of excess provision of ₹ **259 Million** (previous year ₹ 241 Million) of earlier years written back, no longer required.

The Company had calculated its tax liability under Minimum Alternate Tax (MAT) from financial year 2007-08. The MAT credit can be carried forward and set off against the future tax payable. In the current year ended March 31, 2013, the Company has calculated its tax liability under normal provisions of the Income Tax Act, 1961 and utilized the brought forward MAT credit of ₹ **233 Million** (previous year ₹ 234 Million).

48. In respect of equity shares issued by the Company pursuant to the Employee Stock Option Scheme after the date of the Balance Sheet for the year ended March 31, 2012 and before the book closure date for the Annual General Meeting, the Company has paid dividend of ₹ **0.45 Million** and dividend tax thereon of ₹ **0.07 Million** as approved by the shareholders in the Annual General Meeting dated August 10, 2012.

49. During the current year, the Company made a provision of ₹ **28 Million** on account of doubtful advances from one of its 100 % subsidiary, Tech Mahindra (Beijing) IT Services Limited.

50. The Company had made provision for Claims and Warranties in the previous year as per customer contractual terms, the outcome of the same had got crystallized during the same year and hence there is no opening provision. During the current year, the movement of the provision is as under:

₹ in Million

Particulars	As at March 31, 2013	As at March 31, 2012
Carrying amount as at the beginning of the year	-	168
Additional provision made during the year	8	157
Less Amount paid/Utilised during the year	1	16
Less: Amount recovered from subcontractor	7	100
Less : Reversal of provision no longer required	-	209
Closing Balance at the end of the year	-	-

51. 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 to issue 2 fully paid up Equity Shares of ₹ 10 each of TechM for every 17 fully paid Equity Shares of ₹ 2 each of MSAT. As the other amalgamating companies are wholly owned by TechM / MSAT, no shares would be issued to shareholders of these companies.

The Bombay Stock Exchange and the National Stock Exchange have conveyed to the Company, their no-objection under Clause 24(f) of the Listing Agreement to the said Scheme. TechM has also 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 June 7, 2012 and June 8, 2012 respectively. A Separate Special Resolution was also passed at the above mentioned meeting of the equity shareholders of TechM held on June 7, 2012, whereas the requisite majority of the equity shareholders approved the reduction of its securities premium account.

Thereafter, TechM, Venturbay, C&S, Logisoft and CanvasM had filed Petitions on June 25, 2012 respectively with the Honorable Bombay High Court seeking approval for the proposed Scheme. The Petitions were admitted by the Honorable Bombay High Court on July 20, 2012 and the Honorable Bombay High Court has approved the Scheme of Amalgamation and passed an order to that effect on September 28, 2012. MSAT had filed its Petition on June 27, 2012 with the Honorable High Court of Andhra Pradesh, and the said petition was admitted on July 9, 2012. Hearing in the matter is concluded before the Honorable High Court of Andhra Pradesh closed for summer vacation & the order is awaited.

The merger is effective only on the last of the dates on which the certified copies of the orders of the High Court of Judicature at Bombay and the High Court of Judicature at Andhra Pradesh are filed with the Registrar of Companies ('ROC'), Mumbai and Pune, Maharashtra, and the ROC, Hyderabad, Andhra Pradesh respectively; and as the Approvals of High Court of Judicature at Andhra Pradesh is yet to be received, the effect of the merger is not considered in the financial statements.

52. CanvasM (Americas) Inc, wholly owned subsidiary of CanvasM Technologies Limited (100 % subsidiary of the Company) have been amalgamated with Tech Mahindra (Americas) Inc (100 % subsidiary of the Company) with effect from September 1, 2012 in terms of the scheme of amalgamation ('scheme') sanctioned by the respective states of USA in August 2012. Accordingly the above stated subsidiary stands dissolved without winding up and all assets and liabilities have been transferred to and vested with Tech Mahindra (Americas) Inc with effect from September 1, 2012, the appointed date.
53. Segment information has been presented in the Consolidated Financial Statements as permitted by Accounting Standard (AS 17) on Segment Reporting as notified under the Companies (Accounting Standard) Rules, 2006.
54. During the quarter ended December 31, 2012, remuneration structure of employees deputed to UK who were remunerated on India salary plus UK allowances (to defray higher cost of living in UK) was changed to consolidated UK salary without salary in India. The allowances paid in UK were accounted as travel expenses. The salary structure was

changed w.e.f April 1, 2012 & accordingly travelling expenses (under operating and other expenses) and salary and bonus (under employee benefits expenses) for the period April 2012 to September 2012 are adjusted to give effect to the said change.

55. Based on the information available with the Company, no creditors have been identified as "supplier" within the meaning of "Micro, Small and Medium Enterprises Development (MSMED) Act, 2006".
56. Previous period's figures have been regrouped wherever necessary, to confirm to the classification for year ended March 31, 2013.

Signatures to Notes

For Tech Mahindra Limited

Anand G. Mahindra
Chairman
Hon. Akash Paul
Director
B.H. Wani
Director
Dr. Raj Reddy
Director
Sonjoy Anand
Chief Financial Officer
Mumbai, Dated May 21, 2013

Vineet Nayyar
Executive Vice Chairman
Anupam Puri
Director
M. Damodaran
Director
Ravindra Kulkarni
Director
Anil Khatri
Company Secretary

C. P. Gurnani
Managing Director
Bharat Doshi
Director
Paul Zuckerman
Director
Ulhas N. Yargop
Director

Independent Auditors' Report

To the Board of Directors of Tech Mahindra Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **TECH MAHINDRA LIMITED** (the "Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

As stated in Note 41 (a) to the consolidated financial statements, the auditors of Satyam Computer Services Limited (SCSL) have qualified their auditor's report on the consolidated financial statements for the year ended 31st March, 2013 expressing their inability to ascertain the impact and the consequential effects, if any, thereof which are not quantifiable on a number of items, namely, ongoing investigations and legal proceedings by various regulators / investigating agencies in respect of the financial irregularities relating to prior years, Net debit amounts aggregating to ₹ 11,394 Million booked to 'Unexplained Differences Suspense Account' and fully provided for in prior years on grounds of prudence, alleged advances of ₹ 12,304 Million relating to prior years as claimed by various companies which is presented separately in the Balance Sheet of SCSL under "Amount Pending Investigation Suspense Account (Net)" and adequacy or otherwise of the provision for taxation pertaining to prior years.

The group's share of post acquisition profit (net) of SCSL, investment in SCSL and the amount of goodwill disclosed in investment in SCSL, and corresponding amount in reserves and surplus in the consolidated financial statements of the group are subject to the matters referred to in Paragraph above, due to which we are unable to comment on the impact of the same on the post acquisition profit (net) of SCSL, amount of goodwill disclosed in investment in SCSL and reserves and surplus in the consolidated financial statements of the group.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2013;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date;
and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Emphasis of Matter

We draw attention to the matters as mentioned in Note 41 (b) to the consolidated financial statements, where the auditors of SCSL have drawn attention in their auditor's report on the consolidated financial statements for the year ended 31st March, 2013 on certain items including various demands/disputes raised by the indirect tax authorities and non-compliances with the provisions of certain statutory Acts/guidelines.

Our opinion is not qualified in respect of this matter.

Other Matter

We did not audit the financial statements of 12 subsidiaries, whose financial statements reflect total assets (net) of ₹ 9,268 Million as at 31st March, 2013, total revenues of ₹ 5,425 Million and net cash inflows amounting to ₹ 735 Million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 117366W)

Hemant M. Joshi
Partner
(Membership No. 38019)

Place: Mumbai
Date: May 21, 2013

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

	Note	March 31, 2013	₹ in Million March 31, 2012
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2	1,281	1,275
(b) Reserves and Surplus	3	52,972	39,234
		<u>54,253</u>	<u>40,509</u>
2 Share Application Money Pending Allotment		3	0
3 Minority Interest		1,089	-
4 Non-Current Liabilities			
(a) Long-Term Borrowings	4	3,000	6,000
(b) Other Long-Term Liabilities	5	2,255	4,295
(c) Long-Term Provisions	6	2,063	1,886
		<u>7,318</u>	<u>12,181</u>
5 Current Liabilities			
(a) Short-Term Borrowings	7	7,804	5,266
(b) Trade Payables	8	6,401	3,649
(c) Other Current Liabilities	9	9,805	6,242
(d) Short-Term Provisions	10	3,171	1,506
		<u>27,181</u>	<u>16,663</u>
		<u>89,844</u>	<u>69,353</u>
II. ASSETS			
1 Non-Current Assets			
(a) Fixed Assets	11		
(i) Tangible Assets		8,832	6,729
(ii) Intangible Assets		207	63
(iii) Capital Work-in-Progress		343	1,671
		<u>9,382</u>	<u>8,463</u>
(b) Non-Current Investments	12	39,242	34,271
(c) Deferred Tax Asset (refer note 37)		1,511	998
(d) Long-Term Loans and Advances	13	5,390	3,384
(e) Other Non-Current Assets	14	-	-
(f) Goodwill on Consolidation		3,407	33
		<u>58,932</u>	<u>47,149</u>
2 Current Assets			
(a) Current Investments	15	1,745	1,605
(b) Inventory		110	-
(c) Trade Receivables	16	17,036	13,172
(d) Unbilled Revenue (refer note 36)		2,376	2,286
(e) Cash and Cash equivalents	17	5,358	2,418
(f) Short-Term Loans and Advances	18	4,287	2,723
		<u>30,912</u>	<u>22,204</u>
		<u>89,844</u>	<u>69,353</u>
See accompanying notes to the financial statements	1 To 49		

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Hemant M. Joshi
Partner

Mumbai, Dated: May 21, 2013

Anand G. Mahindra
Chairman
Hon. Akash Paul
Director
B.H. Wani
Director
Dr. Raj Reddy
Director
Sonjoy Anand
Chief Financial Officer
Mumbai, Dated: May 21, 2013

For Tech Mahindra Limited

Vineet Nayyar
Executive Vice Chairman
Anupam Puri
Director
M. Damodaran
Director
Ravindra Kulkarni
Director
Anil Khatri
Company Secretary

C. P. Gurnani
Managing Director
Bharat Doshi
Director
Paul Zuckerman
Director
Ulhas N. Yargop
Director

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

₹ in Million except Earnings per share

	Note	Year ended March 31, 2013	Year ended March 31, 2012
I. Revenue from Services (refer note 29 and 48)		68,731	54,897
II. Other Income	19	(747)	982
III. Total Revenue (I + II)		67,984	55,879
IV. Expenses:			
Employee Benefits Expense	20	36,720	28,796
Subcontracting Expenses		6,615	5,802
Operating and Other Expenses	21	11,154	11,117
Finance Costs	22	1,030	1,026
Depreciation and Amortisation Expense	11	2,000	1,613
Total Expenses		57,519	48,354
V. Profit before Exceptional Items, Tax, Minority Interest and Share in Earnings of Associate (III - IV)		10,465	7,525
VI. Exceptional Items (net) (refer note 33)		-	679
VII. Profit before Tax, Minority Interest and Share in Earnings of Associate (V - VI)		10,465	6,846
VIII. Tax Expense:			
(a) Current Tax (refer note 40)		2,533	1,785
(b) Deferred Tax (refer note 37)		(178)	(360)
IX. Profit after Tax and before Minority Interest and Share in Earnings of Associate (VII-VIII)		8,110	5,421
X. Minority Interest		(196)	(36)
XI. Profit after Tax and Minority Interest and before Share in Earnings of Associate (IX-X)		7,914	5,385
XII. Share in Earnings of Associate (refer note 41)			
(a) Profit after Tax and Minority Interest (excluding exceptional items)		5,647	5,103
(b) Exceptional Items		(683)	467
XIII. Profit for the year (XI+XII)		12,878	10,955
Earnings Per Equity Share (Before Exceptional Items) in ₹ (refer note 39)			
(a) Basic		100.85	91.60
(b) Diluted		96.68	88.05
Earnings Per Equity Share (After Exceptional Items) in ₹ (refer note 39)			
(a) Basic		100.85	86.25
(b) Diluted		96.68	82.91
See accompanying notes to the financial statements	1 to 49		

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Hemant M. Joshi
Partner

Mumbai, Dated: May 21, 2013

Anand G. Mahindra
Chairman
Hon. Akash Paul
Director
B.H. Wani
Director
Dr. Raj Reddy
Director
Sonjoy Anand
Chief Financial Officer
Mumbai, Dated: May 21, 2013

For Tech Mahindra Limited

Vineet Nayyar
Executive Vice Chairman
Anupam Puri
Director
M. Damodaran
Director
Ravindra Kulkarni
Director
Anil Khatri
Company Secretary

C. P. Gurnani
Managing Director
Bharat Doshi
Director
Paul Zuckerman
Director
Ulhas N. Yargop
Director

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

Particulars	₹ in Million	
	Year ended March 31, 2013	Year ended March 31, 2012
A Cash Flow from Operating Activities		
Net Profit Before Tax and Exceptional Items	10,465	7,524
Adjustments for :		
Depreciation and Amortisation Expenses	2,000	1,613
Amortisation of Deferred Revenue	(2,065)	(2,065)
Provision for Doubtful Receivables, Bad debts written off, Loans and Advances (net) and Deposits	144	197
Customer Claims and Warranties	3	(97)
(Profit) / Loss on Sale of Fixed Assets (net)	(20)	(0)
Finance Costs	1,030	1,026
Unrealised Exchange (Gain) / Loss (net)	312	851
Employee Stock Compensation Cost	500	412
Interest Income	(46)	(79)
Dividend Income	(49)	(31)
Net (Profit) / Loss on Sale of Current Investments	0	(2)
Decrease in Fair Value of Current Investments	(0)	0
	<u>1,809</u>	<u>1,825</u>
Operating Profit before working capital changes	12,274	9,349
Trade Receivables (including Finance Lease) and Other Assets	(2,200)	(1,271)
Trade Payables, Other Liabilities and Provisions	<u>1,890</u>	<u>1,497</u>
	<u>(310)</u>	<u>226</u>
Cash Generated from Operations	11,964	9,575
Income Tax Paid (net)	<u>(3,410)</u>	<u>(2,458)</u>
Net Cash Flow from / (used in) Operating Activities (A)	8,554	7,117
B Cash Flow from Investing Activities		
Purchase of Fixed Assets	(1,787)	(2,958)
Proceeds from Sale of Fixed Assets	40	9
Purchase of Current Investments	(11,577)	(1,506)
Sale of Current Investments	11,581	313
Investment in Treasury Bonds	(8)	-
Proceeds on Maturity of Treasury Bills	1	-
Acquisition of Companies (refer note 23(g), 23(h) and 23(i))	(6,122)	-
Purchase of Long-Term Investments in Subsidiary	-	(141)
Interest Received	<u>46</u>	<u>79</u>
Net Cash Flow from / (used in) Investing Activities (B)	(7,826)	(4,203)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013 (Contd.)

Particulars	₹ in Million	
	Year ended March 31, 2013	Year ended March 31, 2012
C Cash Flow from Financing Activities		
Proceeds from issue of Equity Shares (Including Share Application Money)	71	118
Dividend (Including Tax on Dividend) paid	(593)	(591)
Proceeds from Short-Term Borrowings	30,785	23,541
Repayment of Short-Term Borrowings	(28,594)	(25,331)
Finance Costs	(1,017)	(911)
Net Cash Flow from / (used in) Financing Activities (C)	652	(3,174)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	1,380	(260)
Cash and Cash Equivalents at the beginning of the year	2,389	2,649
Increase in Cash and Cash Equivalents on Acquisition (refer note 23(g), 23(h) and 23(i))	1,608	-
Cash and Cash Equivalents at the end of the year	5,377	2,389

Notes :

1 Purchase of Fixed Assets are stated inclusive of movements of Capital Work-in-Progress between the commencement and end of the year and are considered as part of Investing Activity.

2 Particulars

	March 31, 2013	March 31, 2012
Cash and Cash Equivalents *	5,358	2,418
Unrealised Loss/(Gain) on Foreign Currency Balances	19	(29)
Total	5,377	2,389
* Cash and Cash Equivalents comprises of Balances with Banks :		
(a) In Current Accounts	5,060	2,107
(b) In Deposit Accounts with original maturity of less than three months	292	306
(c) In Earmarked Balances with Banks	6	5
	5,358	2,418

3 Cash and Cash Equivalents include Equity Share Application Money of ₹ 3 Million (previous year ₹ 0 Million) and Unclaimed Dividend of ₹ 6 Million (previous year ₹ 5 Million)

In terms of our report attached
For Deloitte Haskins & Sells
 Chartered Accountants

Hemant M. Joshi
 Partner

Mumbai, Dated: May 21, 2013

Anand G. Mahindra
 Chairman
 Hon. Akash Paul
 Director
 B.H. Wani
 Director
 Dr. Raj Reddy
 Director
 Sonjoy Anand
 Chief Financial Officer
 Mumbai, Dated: May 21, 2013

For Tech Mahindra Limited

Vineet Nayyar
 Executive Vice Chairman
 Anupam Puri
 Director
 M. Damodaran
 Director
 Ravindra Kulkarni
 Director
 Anil Khatri
 Company Secretary

C. P. Gurnani
 Managing Director
 Bharat Doshi
 Director
 Paul Zuckerman
 Director
 Ulhas N. Yargop
 Director

Notes forming part of the Consolidated Balance Sheet and the Statement of Profit and Loss

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

1. Significant accounting policies:

(a) Basis for preparation of accounts:

The accompanying Consolidated Financial Statements of Tech Mahindra Limited (TML) and its subsidiaries (together constitute "the Group") have been prepared to comply in all material aspects with generally accepted accounting principles applicable in India, the relevant provisions of the Companies Act, 1956 and the Accounting Standards to the extent possible in the same format as that adopted by the holding company in its separate financial statements.

The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of TML

(b) Principles of consolidation:

The financial statements of TML and its subsidiaries have been consolidated on a line by line basis by adding together like items of assets, liabilities, income, expenses after eliminating intra group transactions and any unrealized gains or losses in accordance with the Accounting Standard - 21 on "Consolidated Financial Statements" (AS 21).

The financial statements of TML and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances.

The excess of cost of investments in the subsidiary company/s over the share of the equity of the subsidiary company/s at the date on which the investment in the subsidiary company/s is made is recognised as 'Goodwill on Consolidation' and is disclosed on the face of Balance Sheet in the Consolidated Financial Statements. Alternatively, where the share of equity in the subsidiary company/s as on the date of investment is in excess of cost of the investment, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus' in the Consolidated Financial Statements.

Minority interest in the net assets of the consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made in the subsidiary company/s and further movements in their share in the equity, subsequent to the dates of investments. Minority interest also includes share application money received from minority shareholders. The losses in subsidiary/s attributable to the minority shareholder are recognised to the extent of their interest in the equity of the subsidiary/s.

Investment in an entity in which the Group has significant influence but not a controlling interest, is reported according to the equity method i.e. the investment is initially recorded at cost in accordance with Accounting Standard 23 "Accounting for Investments in associates in Consolidated Financial Statements". The carrying amount of the investment is adjusted thereafter for the post acquisition change in the Company's share of net assets of the associate. The excess of cost of investment in associate, over the net assets at the date of acquisition of the investment in the associate is separately disclosed under Non-Current Investments as Goodwill. The financial statements of the associate are drawn up to the same reporting date as that of TML.

(c) Use of Estimates:

The preparation of Consolidated Financial Statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognised in the period in which the results are known / materialised.

(d) Fixed Assets including intangible assets

Fixed assets are stated at cost less accumulated depreciation. Costs comprise of purchase price and attributable costs, if any.

(e) Leases:

Assets taken on lease by the Group are accounted for as fixed assets in accordance with Accounting Standard 19 on "Leases", (AS 19).

(i) Finance lease

Where the Group as a lessor, leases assets under finance lease, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is based on constant rate of return on the outstanding net investment.

Assets taken on finance lease are accounted for as fixed assets at fair value. Lease payments are apportioned between finance charge and reduction of outstanding liability.

(ii) Operating lease

Lease arrangements under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease rental under operating lease are recognised in the Statement of Profit and Loss on straight line basis.

(f) Depreciation / Amortization of fixed assets:

- (i) The Group computes depreciation of all fixed assets including for assets taken on lease using the straight line method based on estimated useful life. Depreciation is charged on a pro rata basis for assets purchased or sold during the year. Management's estimate of the useful life of fixed assets is as follows:

Buildings	28 years
Computers	3 - 4 years
Plant and Equipment	3 - 5 years
Furniture and fixtures	3 - 6 years
Vehicles	4 - 5 years
Office Equipments	3 - 5 years

- (ii) Leasehold land is amortised over the period of lease.
- (iii) Leasehold improvements are amortised over the period of lease or expected period of occupancy whichever is less.
- (iv) Assets costing upto ₹ 5,000 are fully depreciated in the year of purchase.
- (v) Intangible assets purchased for internal use is capitalized and depreciated in full in the month in which it is put to use. Intangible assets procured for specific projects are being amortised over the period of its useful life or contract, whichever is less.
- (vi) Trademarks and Goodwill are amortised using Straight-Line method on pro-rata basis over their remaining useful life of 4 years at the time of transfer (taken over as part of business transfer agreement in the year 2007-08).
- (vii) Intellectual property rights are being amortised using straight line method over a period of 4 years.

(g) Impairment of Assets:

At the end of each period, the Group determines whether a provision should be made for impairment loss on assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets". Where the recoverable amount of any asset is lower than its carrying amount, a provision for impairment loss on assets is made for the difference. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

Reversal of impairment loss if any is recognised immediately as income in the Statement of Profit and Loss.

(h) Investments:

Long-term investments are carried at cost. Provision is made to recognise a decline other than temporary

in the carrying amount of long term investments.

Current investments are carried at lower of cost and fair value.

(i) Inventories :

Inventories are valued at first in first out (FIFO) or net realizable value, whichever is lower.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The Group provides for obsolete and slow-moving inventory based on management estimates of the usability of inventory.

(j) Revenue recognition:

Revenue from software services and business process outsourcing services include revenue earned from services rendered on 'time and material' basis, time bound fixed price engagements and system integration projects.

All revenues from services, as rendered, are recognised when persuasive evidence of an arrangement exists, the sale price is fixed or determinable and collectability is reasonably assured and are reported net of sales incentives, discounts based on the terms of the contract and applicable indirect taxes.

The Group also performs time bound fixed price engagements, under which revenue is recognised using the proportionate completion method of accounting, unless work completed cannot be reasonably estimated. Provision for estimated losses, if any on uncompleted contracts are recorded in the period in which such losses become probable based on the current contract estimates.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known.

Liquidated damages and penalties are accounted as per the contract terms wherever there is a delayed delivery attributable to the Group and when there is a reasonable certainty with which the same can be estimated.

Revenues from the sale of software and hardware products are recognised upon delivery/deemed delivery, which is when title passes to the customer, along with risk and rewards.

Unbilled revenues comprise revenues recognised in relation to efforts incurred, not billed as of the period end, where services are performed in accordance with agreed terms.

The Group recognizes unearned finance income as financing revenue over the lease term using the effective interest method.

Dividend income is recognised when the Group's right to receive dividend is established. Interest income is recognised on time proportion basis.

(k) Foreign Currency Transactions:

(i) Foreign currency transactions and translations:

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Monetary items are translated at the period end rates. The exchange difference between the rate prevailing on the date of transaction and on the date of settlement/translation of monetary items at the end of the period is recognised as income or expense, as the case may be.

Any premium or discount arising at the inception of the forward exchange contract is recognised as income or expense over the life of the contract, except in the case where the contract is designated as a Cash Flow Hedge.

(ii) Derivative instruments and hedge accounting:

The Group uses foreign currency forward contracts / options to hedge its risks associated with foreign currency fluctuations relating to certain forecasted transactions. Effective April 01, 2007, the Group designates some of these as cash flow hedges applying the recognition and measurement principles set out in the Accounting Standard 30 "Financial Instruments: Recognition and Measurements" (AS-30).

The use of foreign currency forward contracts/ options is governed by the Group's policies approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the Group's risk management strategy. The counter party to the Group's foreign currency forward contracts is generally a bank. The Group does not use derivative financial instruments for speculative purposes.

Foreign currency forward contract/option derivative instruments are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised directly in Hedging Reserve (under Reserves and Surplus) and the ineffective portion is recognised immediately in the Statement of Profit and Loss.

The accumulated gains/losses on the derivatives accounted in Hedging Reserve are transferred to the Statement of Profit and Loss in the same period in which gains/losses on the item hedged are recognised in the Statement of Profit and Loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the Statement of Profit and Loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold,

terminated, or exercised, or no longer qualifies for hedge accounting. When hedge accounting is discontinued for a cash flow hedge, the net gain or loss will remain in Hedging Reserve and be reclassified to the Statement of Profit and Loss in the same period or periods during which the formerly hedged transaction is reported in the Statement of Profit and Loss. If a hedged transaction is no longer expected to occur, the net cumulative gains/losses recognised in Hedging Reserve is transferred to the Statement of Profit and Loss.

(l) Translation and Accounting of Financial Statement of Foreign subsidiaries :

In respect of foreign subsidiaries, the Group has classified all of them as "Integral Foreign Operations" in terms of AS 11 with effect from April 01, 2009. The subsequent exchange differences arising on account of such translation is accounted in Statement of Profit and Loss.

The financial statements of the foreign subsidiaries for the purpose of consolidation are translated to Indian Rupees as follows:

- (i) All incomes and expenses are translated at the average rate of exchange prevailing during the year.
- (ii) Assets and liabilities are translated at the closing rate as on the Balance sheet date. Fixed Assets, Investments and Share Capital are valued as per the historic rate prevailing at the point of actual transaction.
- (iii) The resulting exchange differences are accumulated in Currency Translation Reserve till March 31, 2009, which is shown under Reserves & Surplus.

(m) Employee Retirement Benefits:

(i) Gratuity :

The Group accounts for its gratuity liability, a defined retirement benefit plan covering eligible employees. The gratuity plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of the employment based on the respective employee's salary and the tenure of the employment. Liabilities with regard to a Gratuity plan are determined based on the actuarial valuation carried out by an independent actuary as at the Balance Sheet date using the Projected Unit Credit method for TML and its Indian subsidiaries.

One of the subsidiary makes annual contributions to the Life Insurance Corporation of India for the Gratuity Plan for its employees.

In respect of overseas branches, contribution made towards retirement / employee benefits, in accordance with the relevant applicable laws, are charged to the Statement of Profit and Loss. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period

in which they occur. (Refer note 30 below)

(ii) Provident fund and super annuation:

The eligible employees of TML and its Indian subsidiaries are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and TML and its Indian subsidiaries make monthly contributions at a specified percentage of the covered employees' salary (currently at 12% of the basic salary) and super annuation contributions, which are charged to the Statement of Profit and Loss on accrual basis. The provident fund contributions are paid to the Regional Provident Fund Commissioner by TML and its Indian subsidiaries.

The TML and its Indian subsidiaries have no further obligations for future provident fund and superannuation fund benefits other than its annual contributions.

(iii) Compensated absences:

The Group provides for the encashment of leave subject to the group's policies. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment.

The liability is provided based on the number of days of unavailed leave at each balance sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method for TML and its Indian subsidiaries.

Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period in which they occur.

The company also offers a short term benefit in the form of encashment of unavailed accumulated leave above certain limit for all of its employees and same is being provided for in the books at actual cost.

(iv) Other short term employee benefits

Other short-term employee benefits, including overseas social security contributions and performance incentives expected to be paid in exchange for the services rendered by employees, are recognised during the period when the employee renders the service.

(n) Borrowing costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to the Statement of Profit and Loss.

(o) Taxation:

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to/recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in

accordance with the local tax laws existing in the respective countries.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset if there is convincing evidence that the Group will pay normal tax after the tax holiday period. Accordingly, it is recognised as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Group and the asset can be measured reliably.

Deferred tax assets and liabilities are recognised for future tax consequences attributable to timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent years and are measured using relevant enacted tax rates. The carrying amount of deferred tax assets at each Balance Sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which the deferred tax asset can be realized.

Tax on distributed profits payable in accordance with the provisions of the Income Tax Act, 1961 is disclosed in accordance with the Guidance Note on Accounting for Corporate Dividend Tax issued by the Institute of Chartered Accountants of India (ICAI).

(p) Employee Stock Option Plans:

Stock options granted to the employees are accounted as per the accounting treatment prescribed by the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 ("ESOP Guidelines") issued by Securities and Exchange Board of India ("SEBI") and the Guidance Note on Accounting for Employee Share-based Payments, issued by the ICAI. Employees eligible for Employee Stock Option Plan 2010 are granted an option to purchase shares of TML at predetermined exercise price. These options vest over a period of three years from the date of grant. The stock compensation cost is computed under the intrinsic value method and amortised on a straight line basis over the total vesting period of three years.

(q) Provision, Contingent Liabilities and Contingent Assets:

A provision is recognized when the Company has a present obligation as a result of past event and its probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. The provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current best estimates.

Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

Note 2: Share Capital

Share Capital	As at March 31, 2013		As at March 31, 2012	
	Number	₹ Million	Number	₹ Million
Authorised				
Equity Shares of ₹ 10/- each	175,000,000	1,750	175,000,000	1,750
Issued, Subscribed & Paid up				
Equity Shares of ₹ 10/- each	128,119,023	1,281	127,486,541	1,275
	128,119,023	1,281	127,486,541	1,275

Disclosure pursuant Part I of Schedule VI to the Companies Act, 1956**Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:**

Particulars	March 31, 2013 Equity Shares		March 31, 2012 Equity Shares	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	127,486,541	1,274,865,410	125,955,481	1,259,554,810
Shares issued during the year	632,482	6,324,820	1,531,060	15,310,600
Shares outstanding at the end of the year	128,119,023	1,281,190,230	127,486,541	1,274,865,410

No of shares held by each shareholder holding more than 5 percent equity shares of the Company are as follows:

Name of Shareholder	March 31, 2013		March 31, 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mahindra and Mahindra Limited	60,676,252	47.36	60,676,252	47.59
British Telecommunications PLC	-	-	29,546,923	23.18
Life Insurance Corporation of India (Through various schemes)	13,276,058	10.36	18,029,149	14.14

Refer note 35 for details relating to Stock Options.

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The Board of Directors in their meeting on 21st May, 2013 proposed a final dividend of ₹ 5 per equity share. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting.

Note 3: Reserves and Surplus

	As at March 31, 2013	₹ in Million As at March 31, 2012
(a) Capital Reserve		
Opening Balance	55	-
Add : Additions during the year	-	55
Closing Balance	<u>55</u>	<u>55</u>
(b) Securities Premium Account		
Opening Balance	2,702	2,599
Add : Received during the year from exercise of Stock Options	62	103
Add: Transfer from Share Options Outstanding Account	64	-
Closing Balance	<u>2,828</u>	<u>2,702</u>
(c) Debenture Redemption Reserve		
Opening Balance	3,990	2,637
Add: Transfer from Statement of Profit and Loss	1,348	1,353
Closing Balance	<u>5,338</u>	<u>3,990</u>
(d) Share Options Outstanding Account (refer note 1(p))		
Opening Balance	481	69
Add :Amortised amount of Stock Compensation Cost	500	412
Less: Transfer to Securities Premium Account	64	-
Closing Balance	<u>918</u>	<u>481</u>
(e) Statutory Reserve (refer note 42)		
Opening Balance	3	3
Add : Additions during the year	0	-
Closing Balance	<u>3</u>	<u>3</u>
(f) Foreign Currency Translation Reserve (refer note 1(l))	104	104
(g) General Reserve		
Opening Balance	5,451	4,451
Add: Transfer from Statement of Profit and Loss	1,000	1,000
Closing Balance	<u>6,451</u>	<u>5,451</u>
(h) Hedging Reserve (refer note 38)		
Opening Balance	(3,535)	412
Add: Movement during the year (net)	1,049	(3,947)
Closing Balance	<u>(2,486)</u>	<u>(3,535)</u>
(i) Surplus in Statement of Profit and Loss		
Opening balance	29,982	21,977
Add: Net Profit for the year	12,878	10,955
Less: Final Dividend (refer note 45)	0	4
Less: Proposed Final Dividend (refer note 2)	641	510
Less: Tax on Dividend (refer note 2 and 45)	109	83
Less: Transfer to Debenture Redemption Reserve	1,348	1,353
Less: Transfer to General Reserve	1,000	1,000
Less: Transfer to Statutory Reserve (refer note 42)	0	-
Closing Balance	<u>39,761</u>	<u>29,982</u>
	<u>52,972</u>	<u>39,234</u>

Note 4: Long-Term Borrowings

	As at March 31, 2013	₹ In Million As at March 31, 2012
Secured Debentures		
(i) 10.25% (Previous Year: 10.25%) Privately placed Non-Convertible Debentures (Due for redemption on 17 th April 2014, at par)	3,000	3,000
(ii) 10.25% (Previous Year: 10.25%) Privately placed Non-Convertible Debentures (Due for redemption on 17 th April 2013, at par)	-	3,000
(The above debentures are secured by pari passu charge over the immovable property located in Gujarat and Pune. Company has also deposited the title deeds of certain other immovable properties of the Company with the debenture trustees.)		
	<u>3,000</u>	<u>6,000</u>

Note 5: Other Long-Term Liabilities

(a) Deferred Revenue (refer note 29)	-	1,708
(b) Fair Values of Foreign Exchange Forward and Currency Option Contracts (refer note 38)	2,071	2,543
(c) Deposits	5	6
(d) Contractual Obligation (refer note 23(h))	179	-
(e) Others	-	38
	<u>2,255</u>	<u>4,295</u>

Note 6: Long-Term Provisions

Provision for Employee Benefits (refer note 30)	2,063	1,886
	<u>2,063</u>	<u>1,886</u>

Note 7: Short-Term Borrowings**Secured Loans from Bank**

Cash Credit *	544	106
Export Packing Credit **	109	-

Unsecured Loans from Banks

Working Capital Loan***	508	-
Export Packing Credit ***	4,143	5,160

* Cash credit is secured by charge over current assets, present and future, including receivables.

** The above facility is availed by one of its Subsidiary and is secured by hypothecation of book debts and stock of the Subsidiary.

*** Due for repayment within 6 months from date of disbursement of loan.

Inter Corporate Deposits

From Satyam Computer Services Limited- Due for repayment on 1 st October 2013	2,500	-
	<u>7,804</u>	<u>5,266</u>

Note 8: Trade Payables

	As at March 31, 2013	₹ In Million As at March 31, 2012
Trade Payables		
Trade Payables (refer note 36)	6,401	3,649
	<u>6,401</u>	<u>3,649</u>

Note 9: Other Current Liabilities

(a) Current Maturities of Long Term Debt	3,000	-
10.25% (Previous Year: 10.25%) Privately placed Non-Convertible Debentures (Due for redemption on 17 th April 2013, at par)		
(The above debentures are secured by pari passu charge over the immovable property located in Gujarat and Pune. Company has also deposited the title deeds of certain other immovable properties of the Company with the debenture trustees.)		
(b) Deferred Revenue (refer note 29)	1,708	2,065
(c) Contractual Obligation (refer note 23(h))	434	-
(d) Accrued Salaries and Benefits	1,892	1,350
(e) Interest Accrued but not due on Borrowings	589	601
(f) Fair Values of Foreign Exchange Forward and Currency Option Contracts (refer note 38)	431	1,163
(g) Advance from Customers	524	115
(h) Unearned Revenue	117	315
(i) Unpaid Dividends	6	5
(j) Deposits	5	-
(k) Customer Payables	201	-
(l) Others*	898	628
	<u>9,805</u>	<u>6,242</u>

* Others mainly include withholding and other taxes payable.

Note 10: Short-Term provisions

(a) Provision for Employee Benefits (refer note 30)	869	432
(b) Provision for Proposed Final Dividend (refer note 2)	641	510
(c) Provision for Tax on Dividend (refer note 2)	109	83
(d) Provision for Taxation	1,546	481
(e) Provision for Warranties	6	-
	<u>3,171</u>	<u>1,506</u>

Note 11: Fixed Assets

	₹ in Million										
	Gross Block			Accumulated Depreciation and Amortisation				Net Block			
	Cost as at April 01, 2012	Additions on Acquisitions *	Deletions during the year	Balance as at March 31, 2013	As at April 01, 2012	Additions on Acquisitions *	For the year	Deductions during the year	Upto March 31, 2013	As at March 31, 2013	As at March 31, 2012
a Tangible Assets											
Freehold Land	176	-	-	176	-	-	-	-	-	176	176
Leasehold Land	678	-	-	678	60	-	27	-	87	591	618
Buildings	4,680	-	677	5,357	1,465	-	177	-	1,642	3,715	3,215
Plant and Equipments	2,576	225	646	3,392	1,637	152	573	49	2,313	1,079	939
Lab Testing Equipments	393	-	886	1,279	162	-	-	-	162	1,117	231
Furniture and Fixtures	1,704	110	448	2,220	1,206	76	265	35	1,512	708	498
Vehicles	63	7	4	62	43	3	12	12	46	16	20
Computers	2,588	1,118	490	4,138	2,119	801	422	57	3,285	853	469
Office Equipments	501	125	65	671	329	72	90	19	472	199	171
Leasehold Improvements	888	265	81	1,029	497	187	172	205	651	378	392
Total (a)	14,247	1,850	3,297	19,002	7,518	1,291	1,738	377	10,170	8,832	6,729
Previous year	12,674	-	2,129	14,247	6,567	-	1,498	547	7,518	6,729	-
b Intangible Assets											
Goodwill	-	2	-	2	-	2	-	-	2	0	-
Intellectual Property Rights	76	7	-	83	76	7	-	-	83	0	0
Patents	-	32	-	32	-	32	-	-	32	0	-
Software	148	630	283	964	85	503	262	93	757	207	63
Total (b)	224	671	283	1,081	161	544	262	93	874	207	63
Previous year	76	-	148	224	46	-	115	-	161	63	-
Grand Total (a+b)	14,471	2,521	3,580	20,083	7,679	1,835	2,000	470	11,044	9,039	6,792
Previous year	12,750	-	2,277	14,471	6,613	-	1,613	547	7,679	6,792	-
c Capital Work-in-Progress											
Total										343	1,671
										9,382	8,463

* On account of acquisition of Hutchison Global Services Limited and Comviva Technologies Limited [refer note 23(g) and 23(h)].

Notes:

1. In the previous year, the useful life of buildings has been revised from 15 years to 28 years with effect from 1st April 2011. The net book value of these fixed assets as at 31st March 2011 is being depreciated over the revised remaining useful life of the assets. As a result of this change, depreciation charge for the year ended 31st March 2012 is lower and the profit for the year is higher by ₹ 159 Million.
2. Depreciation charge of the previous year includes accelerated charge of ₹ 83 Million on assets in leased premises consequent to the early termination of the lease.

Note 12: Non-Current Investments

	As at March 31, 2013	As at March 31, 2012
₹ in Million		
Trade (Unquoted - at cost)		
In Subsidiary Company		
50,000 Equity Shares (previous year 50,000) of Tech Mahindra Foundation of ₹ 10 each fully paid up	1	1
In Other Company		
In Equity Shares:		
4,232,622 Ordinary Shares (previous year 4,232,622) of Servista Limited of GBP 0.002 each fully paid up	1	1
In Preference Shares:		
1,603,380 E1 Preference Shares (previous year 1,603,380) of Servista Limited of GBP 0.002 each fully paid up	54	54
896,620 E2 Preference Shares (previous year 896,620) of Servista Limited of GBP 0.002 each fully paid up	30	30
	<u>85</u>	<u>85</u>
Less: Provision for Diminution (refer note 28)	<u>85</u>	<u>85</u>
	1	1
Long Term (Quoted- at Cost)		
Trade:		
501,843,740 (previous year 501,843,740) Equity Shares of Satyam Computer Services Limited of ₹ 2/- each, fully paid up # # includes Goodwill of ₹ 24,777 Million (previous year ₹ 24,777 Million) and cumulative group share of post acquisition profit of ₹ 9,538 Million (previous year profit of ₹ 4,574 Million) (refer note 41)	39,233	34,269
Non Trade (Unquoted - at cost)		
Treasury Bonds and Bills (refer note 1 below)	8	1
	<u>8</u>	<u>1</u>
	<u>39,242</u>	<u>34,271</u>
Market value of Quoted Investment	<u>64,437</u>	<u>40,449</u>

Note :

- As per statutory requirements for overseas branches

	As at March 31, 2013	As at March 31, 2012
Aggregate amount of Quoted Investments	39,233	34,269
Aggregate amount of Unquoted Investments	8	2
Aggregate amount of Provision for Diminution in Value of Investments	85	85

Statement showing percentage of holding Name of the Body Corporate

	As at March 31, 2013	As at March 31, 2012
Satyam Computer Services Limited	42.63%	42.64%

Note 13: Long-Term Loans and Advances

	As at March 31, 2013	₹ in Million As at March 31, 2012
(Unsecured, considered good unless otherwise stated)		
(a) Capital Advances		
(i) Considered Good	136	122
(ii) Considered Doubtful	5	5
	141	127
Less: Provision	5	5
	136	122
(b) Security Deposits		
(i) Considered Good	820	679
(ii) Considered Doubtful	16	15
	836	694
Less: Provision	16	15
	820	679
(c) VAT Receivable	15	10
(d) Advance Income Taxes (Net of provisions)	3,433	1,851
(e) Advance Fringe Benefit Tax (Net of provisions)	18	16
(f) Balance with Excise and Customs	355	-
(g) Lease Receivable	10	-
(h) Advances Recoverable in Cash or in Kind for Value to be Received		
(i) Considered Good	603	706
(ii) Considered Doubtful	26	-
	629	706
Less: Provision	26	-
	603	706
	5,390	3,384

Note 14: Other Non-Current Assets

Trade Receivables (Unsecured)

(a) Over six months		
(i) Considered Good	-	-
(ii) Considered Doubtful	151	-
(b) Others		
(i) Considered Good	-	-
(ii) Considered Doubtful	-	-
	151	-
Less: Provision for Doubtful Receivables	151	-
	-	-

Note 15 : Current Investments

	As at March 31, 2013	₹ in Million As at March 31, 2012
Current Investments -(Unquoted - at cost)		
9,600,877 (previous year Nil) units of ₹ 100.28 (previous year Nil) each fully paid up of Birla Sun life Cash Plus Daily Dividend - Direct Plan	962	-
6,690,314 (previous year Nil) units of ₹ 100.09 (previous year Nil) each fully paid up ICICI Prudential Liquid - Direct Plan-Daily Dividend	670	-
35,296.315 (previous year Nil) units of ₹ 1918.01 (previous year Nil) each fully paid up of UTI Liquid Cash Plan IP-Growth	68	-
23,545.070 (previous year Nil) of ₹ 1914.12 (previous year Nil) each fully paid up of UTI Liquid Cash Plan Institutional Direct Plan-Growth	45	-
159.256 (previous year Nil) units of ₹ 100.28 (previous year Nil) each fully paid up of Birla Sun life Cash Plus Daily Dividend - Regular Plan	0	-
144.151 (previous year Nil) units of ₹ 100.09 (previous year Nil) each fully paid up ICICI Prudential Liquid - Regular Plan-Daily Dividend	0	-
Nil (previous year 310,252) units of ₹ Nil (previous year ₹ 100.04) each of ICICI Prudential Floating Rate Plan D-Daily Dividend	-	31
Nil (previous year 601,500.17) units of ₹ Nil (previous year ₹ 1000.25) IDFC Cash Fund - Super Inst Plan C - Daily Dividend plan	-	602
Nil (previous year 6,003,769.20) units of ₹ Nil (previous year ₹ 100.20) Birla Sun Life Cash Plus Inst. Prem. Daily Dividend - Reinvestment plan	-	601
Nil (previous year 5,000,000) units of ₹ Nil (previous year ₹ 10.00) IDFC Fixed Maturity Quarterly Series 69 Dividend Plan	-	50
Nil (previous year 5,006,861) units of ₹ Nil (previous year ₹ 10.00) IDFC Fixed Maturity Quarterly Series 70 Dividend Plan	-	50
Nil (previous year 5,000,000) units of ₹ Nil (previous year ₹ 10.00) DSP Black Rock FMP - Series 35 - 3M Plan	-	50
Nil (previous year 5,499,850) units of ₹ Nil (previous year ₹ 10.00) each of Birla Sun Life Fixed Term Plan - series EM - Growth option	-	55
Nil (previous year 824,625) units of ₹ Nil (previous year ₹ 100.13) each of Birla Sunlife Savings Fund - Instl - Weekly Dividend - Reinvestment	-	83
Nil (previous year 38,533) units of ₹ Nil (previous year ₹ 1,001.37) each of Reliance Money Manager Fund- Institutional option Daily Dividend Plan	-	39
Nil (previous year 4,433,314) units of ₹ Nil (previous year ₹ 10.00) each of Kotak Quarterly Interval Plan Series I Dividend	-	44
	1,745	1,605
Provision for Diminution in Value of Current Investments	-	(0)
	1,745	1,605
	As at March 31, 2013	As at March 31, 2012
Aggregate amount of Quoted Investments	-	-
Aggregate Amount of Unquoted Investments	1,745	1,605
Aggregate amount of Provision for Diminution in value of Investments	-	(0)

Note 16: Trade Receivables

	As at March 31, 2013	₹ in Million As at March 31, 2012
Trade Receivables (Unsecured) #		
(a) Over six months		
(i) Considered Good*	1,128	211
(ii) Considered Doubtful (refer note 33)	659	400
(b) Others		
(i) Considered Good**	15,908	12,961
(ii) Considered Doubtful	10	211
	17,705	13,783
Less: Provision for Doubtful Receivables (refer note 33)	669	611
	17,036	13,172

refer note 36

1. * Net of advances aggregating to ₹ **653 Million** (previous year ₹ 184 Million) pending adjustments with invoices
2. ** Net of advances aggregating to ₹ **939 Million** (previous year ₹ 464 Million) pending adjustments with invoices

Note 17: Cash and Cash equivalents

(a) Cash and Cash Equivalents		
Balances with Banks		
In Current Accounts	5,060	2,107
In Deposit Accounts*	292	306
	5,352	2,413
* net of book overdraft of ₹ 21 Million (previous year ₹ Nil) in the linked current account with fixed deposits		
(b) Earmarked Balances with Banks	6	5
	5,358	2,418

Note 18: Short-Term Loans and Advances

	As at March 31, 2013	₹ in Million As at March 31, 2012
(Unsecured, considered good unless otherwise stated)		
(a) Advances to Related Parties (refer note 36)	201	50
(b) MAT Credit Entitlement	5	240
(c) Balance with Excise and Customs	2,175	1,278
(d) Lease Receivable		
(i) Considered Good	15	-
(ii) Considered Doubtful (refer note 33)	231	231
	<u>246</u>	<u>231</u>
Less: Provision (refer note 33)	231	231
	<u>15</u>	<u>-</u>
(e) Advances Recoverable in Cash or in Kind or for Value to be Received		
(i) Considered Good	1,891	1,155
(ii) Considered Doubtful (refer note 33)	107	97
	<u>1,998</u>	<u>1,252</u>
Less: Provision (refer note 33)	107	97
	<u>1,891</u>	<u>1,155</u>
	<u>4,287</u>	<u>2,723</u>

Note 19: Other Income

	Year Ended March 31, 2013	₹ in Million Year Ended March 31, 2012
(a) Interest on:		
Deposit with Banks	29	11
Others	17	68
	<u>46</u>	<u>79</u>
(b) Foreign Exchange Gain/(Loss) - Net	(1,189)	594
(c) Rent Income	31	66
(d) Dividend Received on Current Investments	49	31
(e) Profit on Sale of Current Investments	0	2
(f) Sundry Balances Written Back	187	133
(g) Miscellaneous Income	129	77
	<u>(747)</u>	<u>982</u>

Note 20: Employee Benefits Expense

(a) Salaries and Bonus (refer note 46)	33,502	26,047
(b) Contribution to Provident and Other Funds (refer note 30 and 46)	1,962	1,551
(c) Gratuity (refer note 30)	226	287
(d) Employee Stock Compensation Cost (refer note 35)	500	412
(e) Staff Welfare Expenses	530	498
	<u>36,720</u>	<u>28,796</u>

Note 21: Operating and Other Expenses

	Year Ended March 31, 2013	₹ in Million Year Ended March 31, 2012
(a) Power and Fuel	704	564
(b) Rent	1,385	1,285
(c) Rates and Taxes	110	112
(d) Communication Expenses	895	687
(e) Travelling Expenses (refer note 46)	2,727	3,576
(f) Recruitment Expenses	123	96
(g) Training	131	119
(h) Hire Charges	557	332
(i) Professional and Legal Fees	730	534
(j) Repairs and Maintenance :		
Buildings (Including Leased Premises)	120	127
Machinery and Computers	403	305
Others	127	127
	650	559
(k) Insurance	855	626
(l) Software, Hardware and Project Specific Expenses	1,226	1,789
(m) Claims and Warranties (Net) (refer note 43)	3	(97)
(n) Advertising, Marketing and Selling Expenses	265	87
(o) General Office Expenses	464	415
(p) (Profit) / Loss on Sale of Fixed Assets (Net)	(20)	(0)
(q) Excess of Cost Over Fair Value of Current Investments	(0)	0
(r) Provision for Doubtful Receivables and Bad Debts (Net)	99	232
(s) Provision for Doubtful Advances and Deposits	29	(35)
(t) Bad Debts Written Off	16	-
(u) Advances Written Off	13	81
(v) Donations	99	69
(w) Miscellaneous Expenses	93	86
	11,154	11,117

Note 22: Finance Costs

(a) Interest expense:		
On Debentures and Long Term Loans	615	617
On Short Term Loans and Cash Credit	92	156
On Inter Corporate Deposit	161	-
Others	5	-
	873	773
(b) Other Borrowing Costs	-	3
(c) Foreign Currency Translations	157	250
	1,030	1,026

Notes on Accounts:

23. a) The consolidated financial statements present the consolidated accounts of the Group which consists of accounts of TML, its following subsidiaries and an associate:

Name of the subsidiaries and associate	Country of incorporation	Extent of Holding (%) as on March 31, 2013
Subsidiaries:		
Tech Mahindra (Americas) Inc. (TMA) and its following subsidiary:-	United States of America	100%
Tech Talenta, Inc. (TTI) Refer note (c) below	United States of America	100%
CanvasM (Americas) Inc. (CAI) Refer note (d) below	United States of America	100%
Tech Mahindra GmbH (TMGMBH)	Germany	100 %
Tech Mahindra (Singapore) Pte. Limited. (TMSL)	Singapore	100 %
Tech Mahindra (Thailand) Limited (TMTL)	Thailand	100%
PT Tech Mahindra Indonesia (TMI)	Indonesia	100%
CanvasM Technologies Limited (CTL)	India	100%
Tech Mahindra (Malaysia) Sdn. Bhd. (TMM)	Malaysia	100%
Tech Mahindra (Beijing) IT Services Limited (TMB) Refer note (e) below	China	100%
Venturbay Consultants Private Limited (VCPL)	India	100%
Mahindra Logisoft Business Solutions Limited (MLBSL)	India	100%
Tech Mahindra (Nigeria) Limited (TMNL)	Nigeria	100%
Tech Mahindra (Bahrain) Limited. S.P.C.(TMBL)	Bahrain	100%
Tech Mahindra Brasil Servicecos De Informatica Ltda (TMBSDIL) Refer note (f) below	Brazil	100%
Hutchison Global Services Limited (HGSL) Refer note (g) below	India	100%
Comviva Technologies Limited (Comviva) and its following 100% subsidiaries: Refer note (h) below	India	55.67%
• Comviva Technologies Inc.	United States of America	55.67%
• Comviva Technologies Nigeria Limited.	Nigeria	55.67%
• Comviva Technologies Singapore Pte. Ltd	Singapore	55.67%
• Comviva Technologies FZ-LLC	UAE	55.67%
Tech Mahindra South Africa (Pty) Limited (TMSAPL) Refer note (i) below	South Africa	51%
Associate:		
Satyam Computer Services Limited	India	42.63 %

- b) TML has an investment in a subsidiary viz. Tech Mahindra Foundation (TMF). TMF has been incorporated primarily for charitable purposes. TMF is not consolidated as a subsidiary as it can apply its income for charitable objects only and cannot pay dividend or transfer funds to its parent.

- c) During the year ended March 31, 2013, TMA has infused share capital of **USD 0.50 Million** into TTI.
- d) CanvasM (Americas) Inc, a wholly owned subsidiary of CanvasM Technologies Limited (wholly owned subsidiary of TML) have been amalgamated with Tech Mahindra (Americas) Inc (wholly owned subsidiary of TML) with effect from September 1, 2012 in terms of the scheme of amalgamation ('scheme') sanctioned by the respective states of USA in August 2012. Accordingly the above stated subsidiary stands dissolved without winding up and all assets and liabilities have been transferred to and vested with Tech Mahindra (Americas) Inc with effect from September 1, 2012, the appointed date.
- e) During the year ended March 31, 2013, TML has invested an additional amount of ₹ **1 Million** in the equity of its wholly owned subsidiary, Tech Mahindra (Beijing) IT Services Limited.
- f) TMBSDDL was incorporated on July 21, 2010. TMBSDDL is wound up on 18th December 2012. There were no transactions during the period from commencement to its winding up.
- g) On September 4, 2012, the TML has acquired 100% stake in equity of Hutchison Global Services Private Limited (converted to Public Limited Company w.e.f. 27th December 2012) for **US \$ 87.1 Million (₹ 4,851 Million)**, paid up front and so Hutchison Global Services Private Limited has become the wholly owned subsidiary of the TML effective 4th September 2012. HGSL provides customer lifecycle operations to clients in UK, Ireland and Australia and has an associate base of over 11,500 employees.

TML has incurred expenditure of ₹ **22 Million** on acquisition of shares in HGSL and the same has been added to the cost of investment. The transaction has resulted in generation of Goodwill on consolidation of ₹ **2,694 Million**. These consolidated financial statements of the group include operations of HGSL for the post acquisition i.e. from 4th September 2012 till 31st March 2013.

Further in September 2012, TML has infused an additional amount of ₹ **0.40 Million** in the equity of HGSL.

- h) TML entered in a Share Purchase Agreement on September 17, 2012 with the promoters (existing shareholders) of Comviva Technologies Limited for acquiring 51% stake on a fully diluted basis in Comviva Technologies Limited ("Comviva"), a global leader in providing mobile Value Added Services (VAS), for a consideration not exceeding ₹ 2,600 Million. After getting the necessary approvals from Reserve Bank of India, on December 13, 2012, TML made an upfront payment of ₹ **1,249 Million** and purchased 6,676,826 Equity Shares of ₹ 10 each (47.02 % of the then equity share capital) and 5,492,832 Series A - 0.001% Fully Convertible and Non-Cumulative Preference Shares ("Preference Shares") of ₹ 10 each and on the same day, 4 nominees of TML were appointed as Directors on the Board of Comviva and thus Comviva became a subsidiary of the TML w.e.f December 13, 2012 by virtue of management control. Some of the existing promoters will continue to hold a 20% stake on a fully diluted basis in Comviva.
- Further, TML has accounted for a liability of ₹ **179 Million** for the "Guaranteed Amount" payable in April 2014 and a liability for Earnout payment of ₹ **434 Million**, on achievement of performance target for 2012-13, payable in FY 2013-14. The balance amount will be payable over next four years on Comviva achieving certain agreed performance target.
 - Effective March 5, 2013, 5,492,832 Preference Shares which were held by the TML, were converted in equivalent number of Equity Shares.
 - On March 13, 2013, as per the Share Purchase Agreement, TML announced an open offer to certain category of equity shareholders of Comviva who were holding 2,534,575 fully paid-up equity shares, at a maximum aggregate price of ₹ 238.90 per share. As per the open offer, TML shall make a payment of ₹ 102.67 per share as upfront payment, ₹ 35.62 per share payable in FY 2013-14 and ₹ 14.67 per share payable in April 2014. The balance amount of ₹ 85.94 per share shall be paid during the period April 2014 to October 2017, based on Comviva achieving mutually agreed performance target. Against this open offer, one shareholder holding 3,000 shares accepted and transferred its equity shares in the name of Tech Mahindra Limited in the last week of March 2013. Post March 31, 2013, shareholders of Comviva holding **374,229** equity shares have accepted this offer.

As at March 31, 2013, TML holds 55.67 % of the equity share capital of Comviva.

- i) On December 5, 2012, TML entered into a Share Purchase Agreement for acquiring 51% stake in equity of Next Level Technologies (Proprietary) Limited ("Next Level"), a private company registered in South Africa engaged in Information, Communication and Technology business for a consideration of ₹ 0.0003 Million. On March 20, 2013, the consideration of ₹ **0.0003 Million** was paid to the existing shareholders and the equity shares were transferred in the name of Tech Mahindra Limited. Accordingly, Next Level became a subsidiary of TML effective March 20, 2013.

Further, the name of Next Level has been changed to Tech Mahindra South Africa (Pty) Limited.

24. On August 31, 2012, British Telecommunications Plc. (promoter of TML) sold 17,935,484 equity shares in the open market and their holding in TML came down to 9.10%. As a consequence of this, the Joint Venture agreement between Mahindra and Mahindra Limited and British Telecommunications Plc. ("promoters of TML") stands terminated. As a result of this, British Telecommunications Plc. is no longer a related party of TML effective August 31, 2012.

Further, on December 12, 2012, British Telecommunications Plc. sold the balance 11,611,439 equity shares in the open market.

25. Effective April 2, 2013, TML has taken over the TA/LAB equipment's and 7 associates as TUPE from Sony Mobile Communication AB Sweden vide its agreement entered on March 21, 2013 for a purchase consideration of USD 6.5 Million (₹ **353 Million**). As per the terms of agreement, TML shall provide free of cost services for next three years as a purchase consideration. This transaction, being effective from April 2, 2013, would be accounted for in the financial statements of the next financial year i.e. 2013-14.
26. The estimated amount of contracts remaining to be executed on capital account, (net of capital advances) and not provided for as at March 31, 2013 is ₹ **923 Million** (previous year: ₹ 478 Million).

27. Contingent liabilities:

- a) TML has received demand notices from Income Tax Authorities resulting in a contingent liability of ₹ **3,843 Million** (previous year ₹ 946 Million). This is mainly on account of the following:
- An amount of ₹ **508 Million** (previous year: ₹ 140 Million) relating to Transfer pricing adjustment on account of arm's length transactions;
 - An amount of ₹ **568 Million** (previous year: ₹ 790 Million) on account of adjustment of expenditure in foreign currency being excluded only from Export turnover and not from Total turnover. TML has already won the appeal before the Income Tax Appellate Tribunal (ITAT) for the Assessment Year 2003-04 & before the Commissioner of Income Tax (Appeals) (CIT(A)) for Assessment Year 2004-05, 2005-06 & 2007-08. Income Tax Department is in appeal before the Honourable High Court for Assessment Year 2003-04 against the ITAT Order & before ITAT for Assessment Year 2004-05, 2005-06 and 2007-2008 against the CIT(A) Order. For the Assessment Year 2009-10 TML has received an order, against which TML intend to file an appeal before CIT(A).
 - An amount of ₹ **2,751 Million** (previous year: ₹ Nil) relating to denial of deduction under section 10A of the Income Tax Act, 1961 on the transfer pricing adjustment. TML has filed an appeal before CIT(A).
 - An amount of ₹ **16 Million** (previous year: ₹ 16 Million) relating to Fringe Benefit Tax. TML has won the appeal before the CIT (A) and the Income Tax Department has appealed against the said order before ITAT.
- b) CTL has received demand notice from Income Tax Authority resulting in a contingent liability of ₹ **57 Million** (previous year ₹ 25 Million). This is mainly in relation to Transfer pricing adjustment on account of arm's length transactions. CTL has appealed before Appellate Authority and is hopeful of succeeding in the same.
- c) HGSL had received a draft assessment order for Assessment Year 2008-09 making adjustments of ₹ **427 Million** mainly on account of transfer pricing adjustments and has raised a demand of ₹ **180 Million** during the year ended March 31 2013. HGSL had filed an objection against the said order with the Dispute Resolution Panel (DRP). Accordingly, HGSL has provided an amount of ₹ **54 Million**. DRP has passed an order on 25th September 2012 and ordered the TPO/AO to verify the computations made by the assessee and rectify the figures wherever necessary. The AO has passed the final order on November 30, 2012 as per the directives of DRP order making adjustments of ₹ **210 Million** mainly on account of transfer pricing adjustments and has raised a demand of ₹ **80 Million**. HGSL has filed an appeal to ITAT against the said order.

- d) HGSL has received the draft assessment order making adjustments of ₹ **1,057 Million** mainly on account of transfer pricing adjustments. HGSL has filed an objection against the said draft assessment order with Dispute Resolution Panel (DRP).
- e) Comviva has received demand notice from Assistant Commissioner of Income Tax [net of ₹ 2 Million provided for] for assessment year 2005-06 ₹ **2 Million**.
- f) Comviva has received demand notice from Assistant Commissioner of Income Tax for assessment year 2006-07 for ₹ **2 Million**.
- g) Comviva has received demand notice under section 154 of the Income tax Act, 1961 from Assistant Commissioner of Income-tax of ₹ **0.5 Million** for assessment year 2007-08.
- h) Comviva has received demand notice from Income Tax authorities for assessment year 2007-08 and 2008-09 for payment of additional tax under section 143(3) from Deputy Commissioner of Income Tax for ₹ **57 Million** and ₹ **3 Million** respectively. Comviva has filed Form 35 with CIT (A) against this assessment order. Comviva has got favorable order from CIT (A). However the department has filed appeal with ITAT.
- i) Comviva has received demand from BSES, New Delhi amounting to ₹ **15 Million** and is subject to the future proceedings as per the Hon'ble High Court of New Delhi.
- j) Comviva has received demand from BESCOM, Bangalore amounting to ₹ **7 Million** has not been provided
- k) TML has received demand / show cause notice / Order from Service Tax Authorities for ₹ **314 Million** (net of provision), (previous year: ₹ 166 Million) out of which:
- ₹ **77 Million** (previous year : ₹ 77 Million) relates to marketing and onsite services rendered by the subsidiaries abroad for the financial years 2004-05 to 2007-08 for erstwhile Tech Mahindra (R & D Services) Limited (TMRDL) and has paid an amount of ₹ **7 Million** (previous year: ₹ 7 Million) "Under Protest",
 - ₹ **13 Million** (previous year: ₹ 13 Million) towards services provided under Management consultancy services for TML for which TML has filed an appeal against the same.
 - TML has received an order from Customs, Excise & Service Tax Appellate Tribunal (CESTAT) in March 2013, wherein the refund claimed for the periods upto February 2010 amounting to ₹ **224 Million** has been disallowed. TML is in process of filing of the appeal with the Honourable High Court.
- l) HGSL has received show cause cum demand notice from Commissioner of Service Tax for non-payment of service tax ₹ **32 Million** for receiving import services (reverse charge basis) for the period 2007-08 to 2012-13. HGSL is in process of filing the reply against show cause notice.
- m) The Group has bank guarantees outstanding ₹ **1,072 Million** (previous year: ₹ 1,087 Million)
- n) HGSL charges its customers a margin of 15% on operating costs & these customers were associated enterprises until TML acquired HGSL on 4th September 2012. The Assessing Officer while passing draft order for Assessment Year 2008-09 in December 2011 determined arm's length margin of 32.33% & proposed consequent adjustments. HGSL out of an abundant caution decided to make a tax provision in respect of potential transfer pricing disputes for Assessment Year 2008-09 to Assessment Year 2012-13 in previous year ending 31st March 2012. The said provision had been made on the basis of an arm's length margin of 24%, which is at the higher end of the arm's length band agreed in the MAP cases, along with Interest though HGSL is confident of successfully defending transfer pricing methodology of cost plus 15%.
- Post the purchase of the entire shareholding of the HGSL in the current year by TML, the customers are not associated enterprises & the transfer pricing regulations are not applicable.
28. In September 2008, TML had made investment of ₹ 85 Million which was equal to 17.28% of the equity share capital of Servista Limited, a leading European system integrator. With this investment, TML became Servista's exclusive delivery arm for three years and will assist Servista in securing more large scale European IT off shoring business. The business plan of Servista was adversely affected by the economic downturn and it continued to incur losses and therefore, Servista

in June 2009 decided to close down its operations. TML had made provision of ₹ 85 Million in the year ended March 31, 2010, for diminution in the value of its investments in Servista. As of March 31, 2013, Servista is in process of winding up and in the view of the management, TML would have no further unrecorded obligations towards settlement of any further liability.

29. During the year ended March 31, 2010, a customer of TML restructured long term contracts with TML effective April 01, 2009 which involves changes in commercial terms, including rate reduction and other agreed contract terms. As per the amended contracts, the customer had paid TML restructuring fees of ₹ 9,682 Million. 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 ₹ **2,005 Million** (previous year: ₹ 2,005 Million) has been recognized as revenue for the current year and the balance amount of ₹ **1,662 Million** (previous year: ₹ 3,667 Million) has been carried forward and disclosed as deferred revenue in the Balance Sheet. In addition, it also includes a part of contract termination fees received from a customer, which is amortised and accounted as revenue, to the extent there is a continuing customer involvement.

30. Details of employee benefits as required by the Accounting Standard 15 (Revised) – Employee Benefits are as under:

- a) Defined Contribution Plan

Amount recognized as an expense in the Statement of Profit and Loss for the year ended March 31, 2013 in respect of defined contribution plan is ₹ **952 Million** (previous year : ₹ 999 Million).

- b) Defined Benefit Plan

The defined benefit plan comprises of gratuity. The gratuity plan is not funded except for Comviva, where in it is funded by Life Insurance Corporation of India. Changes in the present value of defined obligation representing reconciliation of opening and closing balances thereof and fair value of Trust Fund Receivable (erstwhile TMRDL) showing amount recognized in the Balance Sheet:

₹ in Million

Particulars	As at March 31, 2013		As at March 31, 2012	
	Non Funded	Funded	Non Funded	Funded
Changes in Fair Value of defined benefit obligation				
Projected benefit obligation, beginning of the year*	1,107	-	922	-
Add : Addition on acquisition of HGSL and Comviva (refer note 23(g) and (23 (h))	96	74	-	-
Service cost	243	4	220	-
Interest cost	93	2	67	-
Actuarial (Gain)/ Loss	(107)	(6)	3	-
Benefits paid	(113)	(2)	(115)	-
Trust Fund Receivable (erstwhile TMRDL)*	(38)	-	(35)	-
Projected benefit obligation, at the end of the year	1,281	72	1,062	-

* The Trust fund was created to fund the gratuity liability of the erstwhile TMRDL. After amalgamation of TMRDL with TML, the balance in Trust Fund can be utilized only for the payment of obligation arising for gratuity payable to employees of erstwhile TMRDL.

₹ in Million

Particulars	As at March 31, 2013		As at March 31, 2012	
	Non Funded	Funded	Non Funded	Funded
Change in Fair Value of Plan Assets				
Fair Value of Plan Assets at the beginning of the year	35	-	33	-
Add : Addition due to acquisition Comviva	-	22	-	-
Expected Return on Plan Assets	3	0	3	-
Contribution by Employer	-	0	-	-
Actuarial (Gain)/ Loss	-	(0)	1	-
Benefits paid	-	(2)	-	-
Fair value of plan assets at the end of the year	38	20	35	-

The composition of the Trust Balance as on March 31, 2013 is as follows:

₹ in Million

Particulars	As at March 31, 2013		As at March 31, 2012	
	Non Funded	Funded	Non Funded	Funded
Major Category of Plan Assets				
Insured Managed Funds (due to acquisition of Comviva)	-	20	-	-
Government of India Securities/ Gilt Mutual Funds	9	-	9	-
State Government Securities/ Gilt Mutual Funds	4	-	5	-
Public Sector Unit Bonds	13	-	13	-
Private Sector Bonds / Equity Mutual Funds	0	-	0	-
Mutual Funds	0	-	0	-
Bank Balance	12	-	8	-
Total	38	20	35	-

Components of expense recognized in the statement of profit and loss for the year ended March 31, 2013 is as follows:

₹ in Million

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
	Non Funded	Non Funded
Expenses Recognized in Statement of Profit and Loss		
Service cost	247	220
Interest cost	95	67
Expected return on plan Assets	(3)	(3)
Actuarial (Gain) / Loss	(113)	3
Total	226	287
Experience Adjustments (Non Funded)		

₹ in Million

Particulars	As at				
	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
1. Defined Benefit Obligation	(1,314)	(1,097)	(922)	(801)	(696)
2. Fair value of plan assets	38	35	34	31	31
3. Surplus/(Deficit)	(1,276)	(1,062)	(888)	(770)	(665)
4. Experience adjustment on plan liabilities Gain / (Loss)	155	23	75	95	7
5. Experience adjustment on plan assets Gain / (Loss)	-	(1)	(1)	2	0
6. Actuarial Gain / (Loss) due to change on assumptions	(20)	(25)	(2)	31	11

Experience Adjustments (Funded)

₹ in Million

Particulars	As at				
	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
1. Defined Benefit Obligation	(72)	-	-	-	-
2. Fair value of plan assets	20	-	-	-	-
3. Surplus / (Deficit)	(52)	-	-	-	-
4. Experience adjustment on plan liabilities Gain / (Loss)	10	-	-	-	-
5. Experience adjustment on plan assets Gain / (Loss)	(0)	-	-	-	-
6. Actuarial Gain / (Loss) due to change on assumptions	-	-	-	-	-

Principal Actuarial Assumptions (Non Funded)	March 31, 2013	March 31, 2012
Discount Rate	8%	8.6%
Rate of increase in compensation levels of covered employees	9%	11.00 % for the 1st Year 9.00 % thereafter

Principal Actuarial Assumptions (Funded)	March 31, 2013	March 31, 2012
Discount Rate	8.6%	-
Rate of increase in compensation levels of covered employees	7.5%	-

- The discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated terms of the obligations.
- Salary escalation rates: The estimates of future salary increase is considered taking into account the inflation, seniority, promotion and other relevant factors.

31. Payment to Auditors (net of service tax):

Particulars	₹ in Million	
	March 31, 2013	March 31, 2012
Audit Fees (Including quarterly audits)	11	8
For Other Services	5	4
For Taxation Matters	1	1
For Reimbursement of Expenses	0	0
Total	17	13

32. Assets taken / given on Lease:

- a) Group has taken premises on operating lease for a period of one to ten years. The expense on such lease rentals recognized in the Statement of Profit and Loss for the year ended March 31, 2013 is ₹ **1,266 Million** (previous year: ₹ 1,186 Million). The future lease payments of such operating lease is as follows:

Particulars	₹ in Million		
	Not later than 1 year	Later than 1 year not later than 5 years	Later than 5 years
Minimum Lease rentals payable (previous year: ₹ 897 Million, ₹ 2,439 Million and ₹ 376 Million, respectively)	1,061	1,876	277

- b) Group has taken computers and its related equipment's on operating lease for a period of one to five years. The expense on such lease rentals recognized in the Statement of Profit and Loss for the year ended March 31, 2013 is ₹ **36 Million** (previous year: ₹ 40 Million). The future lease payments of such operating lease is as follows:

Particulars	₹ in Million		
	Not later than 1 year	Later than 1 year not later than 5 years	Later than 5 years
Minimum Lease rentals payable (previous year: ₹ 26 Million, ₹ 36 Million and ₹ Nil respectively)	11	27	-

- c) TML has given premises on operating lease for a period of one to five years. The rental income recognized in the Statement of Profit and Loss for the year ended March 31, 2013 is ₹ **35 Million** (previous year: ₹ 70 Million). The future lease rent receivable on such premises given on operating lease are as follows:

Particulars	₹ in Million		
	Not later than 1 year	Later than 1 year not later than 5 years	Later than 5 years
Minimum Lease rentals receivable (previous year: ₹ 12 Million, ₹ 35 Million and ₹ Nil, respectively)	35	26	-

- d) Comviva, has entered into an agreement on September 25, 2008 with one of its customer to provide Managed VAS Services on revenue share basis for a period of three years from date of commercial launch of VAS services. Comviva has installed hardware and software at third party location to provide such services and as per the terms of the agreement, these assets qualify as finance lease.

During the year ended March 31, 2012, Comviva has re-negotiated the terms of the contract with lessee. The contract period has been extended for a period of three years (that is till year ended December 31, 2014). Comviva will also provide certain services under the revised contract. The contract continues to be on revenue share basis, however, the lessee has given a minimum guarantee of US\$ 38,639 per month towards monthly lease payment and services. As the revised contract covers substantial life of the assets hence the modified lease is continued to be considered as finance lease. There is no escalation clause or restriction imposed under the revised lease agreement.

₹ in Million

Particulars	As at March 31, 2013
Gross Investment in the Lease	24
For 1 year	14
For 2 to 5 years	10
Less : Unearned finance income	2
Present Value of minimum lease payment	
For 1 year	12
For 2 to 5 year	10

33. The Honorable Supreme Court vide its order dated 2nd February 2012 cancelled 2G licenses issued to some of Telecom operators in India in 2008. As a result of the cancellation, the business of TML's two customers has become unviable and one of the customers has started winding up proceedings of the Indian operations. TML had made provision of ₹ 679 Million in previous year ended 31st March 2012 on account of likely impairment in the carrying value of the related assets.
34. As per the requirements of Accounting Standard 17 on 'Segment Reporting' (AS 17), the primary segment of the Group is business segment by category of customers in the Telecom Service Providers (TSP), Telecom Equipment Manufacturer (TEM), Business Process Outsourcing (BPO) and Others, which includes non telecom vertical customers and the secondary segment is the geographical segment by location of its customers.

The accounting principles consistently used in the preparation of the financial statements are also applied to record income and expenditure in the individual segments. There are no inter-segment transactions during the year ended March 31, 2013.

A. Primary Segments

₹ in Million

Particulars	For the year ended March 31, 2013				
	Telecom Service Provider	Telecom Equipment Manufacturer	Business Process Outsourcing	Others	Total
Revenues	51,793	4,164	10,674	2,100	68,731
Less : Direct Expenses	32,481	2,757	6,544	1,608	43,390
Segmental Operating Income	19,312	1,407	4,130	492	25,341
Less : Un-allocable Expenses (net)					
Finance Costs					1,030
Depreciation and Amortisation expenses					2,000
Other Un-allocable Expenses (net)					11,099
Total Un-allocable Expenses (net)					14,129
Operating Income					11,212
Add : Other Income (net)					(747)
Net Profit before tax					10,465
Less : Provision for Tax					

₹ in Million

Particulars	For the year ended March 31, 2013				
	Telecom Service Provider	Telecom Equipment Manufacturer	Business Process Outsourcing	Others	Total
Current tax					2,533
Deferred Tax					(178)
Net Profit before earnings in share of minority and associate					8,110
Less : Minority Interest					196
Net Profit before earnings in share of associate					7,914
Share in Earnings of Associate (refer note 41)					4,964
Net Profit for the year					12,878

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 and TML is of the view that it is not practical to reasonably allocate liabilities and other non-cash expenses to individual segments and an ad-hoc allocation will not be meaningful.

B. Secondary Segments:

Revenues from secondary segments are as under

Geography	₹ in Million
Europe	30,900
Americas	22,839
Rest of world	14,902
Total	68,731

Segregation of assets into secondary segments has not been done as the assets are used interchangeably between segments. Consequently the carrying amounts of assets by location of assets are not given.

A. Primary Segments

₹ in Million

Particulars	For the year ended March 31, 2012				
	Telecom Service Provider	Telecom Equipment Manufacturer	Business Process Outsourcing	Others	Total
Revenues	44,290	3,599	5,322	1,686	54,897
Less : Direct Expenses	29,276	2,657	3,383	1,462	36,778
Segmental Operating Income	15,014	942	1,939	224	18,119
Less : Un-allocable Expenses (net)					
Finance Costs					1,026
Depreciation and Amortisation Expenses					1,613
Other Un-allocable Expenses (net)					8,937
Total Un-allocable Expenses (net)					11,576

₹ in Million

Particulars	For the year ended March 31, 2012				Total
	Telecom Service Provider	Telecom Equipment Manufacturer	Business Process Outsourcing	Others	
Operating Income					6,543
Add : Other Income (net)					982
Net Profit before tax and Exceptional Item					7,525
Less : Exceptional Item (net)					679
Net Profit before Tax					6,846
Less : Provision for Tax					
Current Tax					1,785
Deferred Tax					(360)
Net Profit before earnings in share of minority and associate					5,421
Minority Interest					(36)
Net Profit before earnings in share of associate					5,385
Share in Earnings of Associate (refer note 41)					5,570
Net Profit for the year					10,955

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 and TML is of the view that it is not practical to reasonably allocate liabilities and other non-cash expenses to individual segments and an adhoc allocation will not be meaningful.

B. Secondary Segments:

Revenues from secondary segments are as under

Geography	₹ in Million
Europe	25,872
Americas	18,817
Rest of world	10,208
Total	54,897

Segregation of assets into secondary segments has not been done as the assets are used interchangeably between segments. Consequently the carrying amounts of assets by location of assets are not given.

- 35 a) TML has instituted "Employee Stock Option Plan 2000" (ESOP) for eligible employees and Directors of TML and subsidiaries of the group. In terms of the said Plan, TML has granted options to the eligible employees which vest at the rate of 33.33% on each successive anniversary of the grant date. The options can be exercised over a period of 5 years from the date of grant. Each option carries with it the right to purchase one equity share of the TML at the exercise price determined by TML on the basis of fair value of the equity shares at the time of grant.

The details of the options are as under:

Particulars	March 31, 2013	March 31, 2012
Options outstanding at the beginning of the year	448,500	-
Options granted during the year	-	494,500
Options lapsed during the year	-	-
Options cancelled during the year	41,470	46,000
Options exercised during the year	14,200	-
Options outstanding at the end of the year	392,830	448,500

Out of the options outstanding at the end of the year ended March 31, 2013, there are **131,120** (previous year: Nil) (Net of exercised & lapsed) vested options, which have not been exercised.

- b) TML has instituted "Employee Stock Option Plan 2004" (ESOP 2004) for its eligible employees and Directors of the Group. In terms of the said Plan, the Compensation and nomination Committee has granted options to employees of the Group. The options are divided into upfront options and Performance options. The Upfront Options are divided into three sets which will entitle holders to subscribe to option shares at the end of First year, Second year and Third year. The vesting of the Performance Options will be decided by the Compensation Committee based on the performance of employees.

Particulars	March 31, 2013	March 31, 2012
Options outstanding at the beginning of the year	2,235,134	2,935,134
Options granted during the year	-	-
Options lapsed during the year	-	-
Options cancelled during the year	-	-
Options exercised during the year	-	700,000
Options outstanding at the end of the year	2,235,134	2,235,134

Out of the options outstanding at the end of the year ended March 31, 2013, there are **2,235,134** (previous year 2,235,134) (Net of exercised & lapsed) vested options, which have not been exercised.

- c) TML has instituted "Employee Stock Option Plan 2006" (ESOP 2006) for the eligible employees and Directors of the Group. In terms of the said plan, the compensation and nomination committee has granted options to the employees of the Group. The vesting of the options is 10% , 15%, 20%, 25% and 30 % of total options granted after 12, 24, 36, 48 and 60 months, respectively from the date of grant. The maximum exercise period is 7 years from the date of grant.

The details of the options are as under:

Particulars	March 31, 2013	March 31, 2012
Options outstanding at the beginning of the year	1,931,883	2,529,103
Options granted during the year	116,000	539,500
Options lapsed during the year	71,778	-
Options cancelled during the year	171,790	305,660
Options exercised during the year	512,490	831,060
Options outstanding at the end of the year	1,291,825	1,931,883

Out of the options outstanding at the end of the year ended March 31, 2013, there are **571,225** (previous year 1,090,008) (net of exercised & lapsed) vested options, which have not been exercised.

- d) TML has instituted "Employee Stock Option Plan 2010" (ESOP 2010) for the eligible employees and directors of the Group. In terms of the said Plan, options to the employees and directors in form of warrant shall vest at the rate of 33.33% on each successive anniversary of the grant date. The options can be exercised over a period of 5 years from the date of grant. Each warrant carries with it the right to purchase one equity share of TML at the exercise price determined by Compensation Committee

The details of the options are as under:

Particulars	March 31, 2013	March 31, 2012
Options outstanding at the beginning of the year	2,278,500	1,600,000
Options granted during the during the year	10,000	683,500
Options lapsed during the during the year	-	-
Options cancelled during the during the year	15,834	5,000
Options exercised during the during the year	105,792	-
Options outstanding at the end of the year	2,166,874	2,278,500

Out of the options outstanding at the end of year ended March 31, 2013, there are **1,189,404** (previous year 533,280) (net of exercised & lapsed) vested options, which have not been exercised.

- e) TML uses the intrinsic value-based method of accounting for stock options granted after April 1, 2005. Had the compensation cost for the TML's stock based compensation plan been determined in the manner consistent with the fair value approach based on Black and Scholes model, the Group's net profit would be lower by ₹ 70 Million (previous year lower by ₹ 32 Million) and earnings per share as reported would be lower as indicated below:

₹ in Million except earnings per share

Particulars	For the Year ended	
	March 31, 2013	March 31, 2012
Net profit after exceptional items and tax (As reported)	12,878	10,955
Add/(Less): Total stock-based employee compensation expense determined under fair value base method	(70)	(32)
Adjusted net profit	12,808	10,923
Basic earnings per share (in ₹)		
- As reported	100.85	86.25
- Adjusted	100.31	86.00
Diluted earnings per share (in ₹)		
- As reported	96.68	82.91
- Adjusted	96.16	82.66
The fair value of each warrant is estimated on the date of grant based on the following assumptions (on weighted average basis):		
Particulars	March 31, 2013	March 31, 2012
Dividend yield (%)	0.55	0.50
Expected life	5.11 Years	4.07 Years
Risk free interest rate (%)	8.31	8.54
Volatility (%)	50.29	52.72

- f) The stock compensation cost for the Employee Stock Option Plan 2010 issued at par has been computed under the intrinsic value method and amortized on a straight line basis over the total vesting period of three years. For the year ended March 31, 2013 TML has accounted for stock compensation expense amounting to ₹ 500 Million (previous year: ₹ 412 Million).

36. As required under Accounting Standard 18 "Related Party Disclosures" (AS – 18), following are details of transactions during the year ended March 31, 2013 with the related parties of the Group as defined in AS – 18:

- a) List of Related Parties and Relationships:

Name of Related Party	Relation
Mahindra & Mahindra Limited	Promoter/Enterprise having significant influence.
British Telecommunications, Plc. (Refer note 24)	Promoter
Mahindra BT Investment Company (Mauritius) Limited	Promoter/Enterprise having significant influence.
Tech Mahindra Foundation#	100% subsidiary company
Satyam Computer Services Limited	Associate Company
Satyam BPO Limited	Associate Company
Satyam Computer Services (Shanghai) Co Limited	Associate Company
New vC Services Limited	Associate Company
Customer Philippines, Inc	Associate Company

Name of Related Party	Relation
Mr. Vineet Nayyar Executive Vice Chairman*	Key Management Personnel
Mr. C. P.Gurnani Managing Director**	

Section 25 Company not considered for consolidation

* Appointed as Executive Vice Chairman w.e.f 10th August 2012 (Vice Chairman and Managing Director till 9th August 2012)

** Appointed as Managing Director w.e.f 10th August, 2012

b) Related Party Transactions for the year ended March 31, 2013:

Transactions for the year ended	₹ in Million	
	For the year ended March 31, 2013	For the year ended March 31, 2012
Income from Services		
<i>Promoters</i>		
Mahindra & Mahindra Limited	41	37
British Telecommunications Plc.	10,755	19,888
Sub Total	10,796	19,925
<i>Associate</i>		
Satyam Computer Services Limited	1,003	409
Sub Total	1,003	409
Sub-contracting cost		
<i>Associates</i>		
Satyam BPO Limited	255	224
Satyam Computer Services(Shanghai) co. Ltd	5	1
Satyam Computer Services Limited	804	577
New vC Services Private Limited	9	-
Sub Total	1,073	802
Reimbursement of Expenses - paid/ (received) (net)		
<i>Promoters</i>		
Mahindra & Mahindra Limited	9	7
British Telecommunications Plc.	(104)	(218)
Sub Total	(95)	(211)
<i>Associates</i>		
Satyam BPO Limited	(37)	(48)
Satyam Computer Services Limited	(165)	(112)
New vC Services Private Limited	(15)	-
vCustomer Philipines, Inc	(0)	-
Sub Total	(217)	(160)

Transactions for the year ended	For the year ended March 31, 2013	For the year ended March 31, 2012
Software/Hardware & project specific expenses		
<i>Associate</i>		
Satyam Computer Services Limited	270	592
Sub Total	270	592
Rent expense		
<i>Promoter</i>		
British Telecommunications Plc.	10	36
Sub Total	10	36
<i>Associate</i>		
Satyam Computer Services Limited	103	143
Sub Total	103	143
Rent Income		
<i>Promoter</i>		
British Telecommunications Plc.	-	41
Sub Total	-	41
<i>Associate</i>		
Satyam Computer Services Limited	13	15
New vC Services Private Limited	7	-
Sub Total	20	15
Service Received		
<i>Promoters</i>		
Mahindra & Mahindra Limited	7	-
British Telecommunications Plc.	10	21
Sub Total	17	21
Interest expense on Inter Corporate Deposit		
<i>Associate</i>		
Satyam Computer Services Limited	161	-
Sub Total	161	-
Donation		
<i>Subsidiary</i>		
Tech Mahindra Foundation	97	67
Sub Total	97	67
Salary, Perquisites & Commission		
<i>Key Management Personnel</i>		
Mr. Vineet Nayyar	56	36
Mr. C P Gurnani	35	-
Sub Total	91	36

Transactions for the year ended	For the year ended March 31, 2013	For the year ended March 31, 2012
Stock Options		
<i>Key Management Personnel</i>	**	**
Dividend Paid		
<i>Promoters</i>		
Mahindra & Mahindra Limited	243	243
British Telecommunications Plc.	118	118
Sub Total	361	361
<i>Key Management Personnel</i>		
Mr. Vineet Nayyar	3	3
Mr. C P Gurnani	2	-
Sub Total	5	3
Purchases of Fixed Assets		
<i>Associates</i>		
Satyam Computer Services Limited	2	0
New vC Services Private Limited	1	-
Sub Total	3	0
Inter Corporate Deposit Received		
<i>Associates</i>		
Satyam Computer Services Limited	2,500	-
Sub Total	2,500	-
Balances as on	March 31, 2013	March 31, 2012
Inter Corporate Deposit taken		
<i>Associates</i>		
Satyam Computer Services Limited	2,500	-
Sub Total	2,500	-
Deposits Payable		
<i>Associates</i>		
Satyam Computer Services Limited	5	-
Sub Total	5	-
Trade Payables		
<i>Promoters</i>		
Mahindra & Mahindra Limited	11	3
British Telecommunications Plc.	-	2
Sub Total	11	5
<i>Subsidiary</i>		
Tech Mahindra Foundation	-	2
Sub Total	-	2

Balances as on	March 31, 2013	March 31, 2012
Associates		
Satyam Computer Services Limited	1,331	711
Satyam BPO Limited	83	71
Satyam Computer Services(Shanghai) co. Ltd.	0	1
New vC Services Private Limited	10	-
Sub Total	1,424	783
Trade Receivables (including Unbilled Revenue)		
Promoters		
Mahindra & Mahindra Limited	26	16
British Telecommunications Plc.	5,224	5,237
Sub Total	5,250	5,253
Associates		
Satyam Computer Services Limited	313	143
Sub Total	313	143
Short Term Advances		
Associates		
Satyam Computer Services Limited	223	48
Satyam BPO Limited	12	2
New vC Services Private Limited	11	-
vCustomer Philippines, Inc	0	-
Sub Total	246	50
Payable		
Key Management Personnel		
Mr. Vineet Nayyar	11	11
Mr. C. P.Gurnani	5	-
Sub Total	15	11

** Stock options: Key Management Personnel

	Vineet Nayyar Executive Vice Chairman	C.P.Gurnani Managing Director
Options exercised during the year ended March 31, 2013	-	-
	(700,000)	(-)
Options granted and outstanding at the end of the year	1,992,567	1,842,567
	(1,992,567)	(1,842,567)

Figures in brackets “()” are for the year ended March 31, 2012.

37. The tax effect of significant timing differences that has resulted in deferred tax assets are given below:

	₹ in Million	
Particulars	March 31, 2013	March 31, 2012
Deferred tax asset :		
Gratuity, Leave Encashment, Superannuation	449	292
Doubtful Debts	447	338
Depreciation	410	316
Others	205	52
Total Deferred Tax Asset	1,511	998

38. Exchange gain/(loss)(net) accounted during the year :

- a) TML enters into Foreign Exchange Forward Contracts and Currency Option Contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than the Indian rupee. The counter party to TML's foreign currency Forward Contracts and Currency Option Contracts is generally a bank. These contracts are entered into to hedge the foreign currency risks of certain forecasted transactions. Forward Exchange Contracts and Currency Option Contracts in UK Pound exposure are split into two legs, which are GBP to USD and USD to INR. These contracts are for a period between 1 day and 5 years.
- b) The following are the outstanding GBP:USD Currency Exchange Contracts entered into by TML which have been designated as Cash Flow Hedges as at March 31, 2013:

Type of cover	Amount outstanding in Foreign currency (in Million)	Fair Value Gain / (Loss) (₹ in Million)
Forward	GBP 246 (previous year: 279)	869 (previous year: (50))
Option	Nil (previous year: 12)	Nil (previous year: 258)

The following are the outstanding USD: INR Currency Exchange Contracts entered into by TML which have been designated as Cash Flow Hedges as at March 31, 2013:

Type of cover	Amount outstanding in Foreign currency (in Million)	Fair Value Gain / (Loss) (₹ in Million)
Forward	USD 1,058 (previous year: 840)	(3,371) (previous year: (2,886))
Option	Nil (previous year: 87)	Nil (previous year: (1028))

Net loss on derivative instruments of ₹ **621 Million** (previous year loss: ₹ 1,206 Million) recognized in hedging reserve as of March 31, 2013 is expected to be reclassified to the Statement of Profit and Loss by March 31, 2014.

The movement in hedging reserve during the year ended March 31, 2013 for derivatives designated as Cash Flow Hedges is as follows:

Particulars	₹ in Million	
	As at March 31, 2013	As at March 31, 2012
Credit / (Debit) Balance at the beginning of the year	(3,535)	412
Gain / (Loss) transferred to income statement on occurrence of forecasted hedge transaction	(464)	(207)
Changes in the fair value of effective portion of outstanding cash flow derivative	585	(4,154)
(Debit) / Credit Balance as at the end of the year	(2,486)	(3,535)

Exchange Loss of ₹ **464 Million** (previous year loss: ₹ 207 Million) on foreign exchange forward contracts and currency options contracts have been recognised in the year ended March 31, 2013.

- c) As at March 31, 2013, the Group has net foreign exchange exposures that are not hedged by a derivative instruments or otherwise amounting to ₹ **9,857 Million** (previous year: ₹ 8,281 Million)

39. Earnings Per Share is calculated as follows:

₹ in Million except earnings per share

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Profit after taxation and before exceptional item	12,878	11,634
Less : exceptional items	-	679
Net Profit attributable to shareholders	12,878	10,955
Equity Shares outstanding as at the end of the year (in nos.)	128,119,023	127,486,541
Weighted average Equity Shares outstanding as at the end of the year (in nos.)	127,684,331	127,005,143
Weighted average number of Equity Shares used as denominator for calculating Basic Earnings Per Share	127,684,331	127,005,143
Add: Diluted number of Shares		
ESOP outstanding as at the end of year	5,512,406	5,118,848
Number of Equity Shares used as denominator for calculating Diluted Earnings Per Share	133,196,737	132,123,991
Nominal Value per Equity Share (in ₹)	10.00	10.00
Earnings Per Share Before Exceptional Item		
Earnings Per Share (Basic) (in ₹)	100.85	91.60
Earnings Per Share (Diluted) (in ₹)	96.68	88.05
Earnings Per Share After Exceptional Item		
Earnings Per Share (Basic) (in ₹)	100.85	86.25
Earnings Per Share (Diluted) (in ₹)	96.68	82.91

40. Current tax expense for the year ended March 31, 2013 is net of excess provision of ₹ **259 Million** (previous year ₹ 241 Million) of earlier years written back, no longer required.

TML and its Indian Subsidiaries had calculated its tax liability under Minimum Alternate Tax (MAT) from financial year 2007-08. The MAT credit can be carried forward and set off against the future tax payable. In the current year ended March 31, 2013, TML and its Indian subsidiaries has calculated its tax liability under normal provisions of the Income Tax Act, 1961 and utilized the brought forward MAT credit of ₹ **321 Million**. (previous year ₹ 234 Million)

41. The Board of Directors of Satyam Computer Services Ltd (SCSL) on 13 April, 2009 selected VCPL, a wholly owned subsidiary of TML as the highest bidder to acquire a controlling stake in SCSL and upon the Honorable Company Law Board's approval on April 16, 2009, VCPL was declared as the winning bidder.

TML through VCPL, acquired stake in Satyam Computer Services Limited, on May 5, 2009 through preferential allotment, representing 31% of equity share capital and further increased the share holding to 42.70 % by July 10, 2009 through a combination of open offer and a further preferential allotment. As a result of this investment, SCSL became an associate of Group as per Accounting Standard 23 "Accounting for Investments in Associates in Consolidated Financial Statements". VCPL holds 501,843,740 equity shares, which is 42.63% of share capital of SCSL as at March 31, 2013

a) The auditors of SCSL have issued a qualified audit report on the consolidated financial results of SCSL for the year ended March 31, 2013 on certain matters set out below:

- Inability to comment on any adjustments/disclosures which may become necessary as a result of further findings of the ongoing investigations/legal proceedings by the regulatory authorities and the consequent impact, if any, on the financial results.
- Inability to comment on the accounting treatment/disclosure of the unexplained amounts aggregating to ₹ 11,394 Million (accounted under "Unexplained Differences Suspense Account (Net)" in the financial statements of SCSL) which was fully provided in the financial results for the year ended March 31, 2009.
- Inability to determine whether any adjustments/disclosure will be required in respect of the alleged advances amounting to ₹ 12,304 Million (net) (presented separately under "Amounts Pending Investigation Suspense Account (Net)" in the financial statements of SCSL) and in respect of the non-accounting of any damages / compensation / interest in the financial results.
- Inability to comment on the adequacy or otherwise of the provision for taxation pertaining to prior years and the consequential impact, if any, due to uncertainties regarding the outcome of the tax disputes and tax demands pending before various authorities.

The impact of the above qualifications on the TML's share of post acquisition profit (net) of SCSL, the amount of goodwill in the investment value, investment in associate and reserves and surplus in the consolidated financial statements of the Group is not ascertainable.

- b) The auditors of SCSL have invited attention to the following matters in their auditor's report for the year ended March 31, 2013:
- Various demands/disputes raised in respect of the past years by the indirect tax authorities in India.
 - Matters relating to non-compliance with Foreign Exchange Management Act (FEMA), 1999 in respect of realization and repatriation of export proceeds relating to earlier years.
 - Non-compliances and breaches in the prior years under the erstwhile Management relating to certain provisions of the Companies Act, 1956 and certain employee stock option guidelines issued by the Securities Exchange Board of India.
 - The Board of Directors has been legally advised that the matters qualified in the Auditors' Report are not required to be taken into account for determining the proposed dividend.
 - In the case of one of the subsidiary of SCSL, the auditors have drawn attention to the possible charge that may arise in respect of the ongoing dispute, which is currently sub judice, between the promoters of the said subsidiary on various issues relating to the shareholders agreement, the outcome of which is not determinable at this stage. Further, the auditors have drawn attention to the fact that the annual financial statements for the year ended March 31, 2012 have not been adopted by the members of that subsidiary in their annual general meeting in the absence of unanimous consent of both the shareholders in terms of the Articles of Association of the subsidiary company. The financial statements as at and for the year ended March 31, 2013 have been drawn up incorporating the opening balances based on the financial statements for the year ended March 31, 2012 which have not been adopted by the shareholders of the subsidiary company. Adjustments to the opening balances, if any, will be made in the financial statements as and when determined.
42. (a) As required by the Bahrain Commercial Companies Law and the TMBL's Articles of Association, 10% of the profit for each period is required to be transferred to a statutory reserve. TMBL may resolve to discontinue such annual transfers when the reserve totals 50% of the issued share capital. Accordingly during the year ended 31st March 2010, TMBL has transferred fifty percent of share capital to statutory reserve. The reserve is not available for distribution, except in the circumstances stipulated in the Bahrain Commercial Companies Law.
- (b) In accordance with the U.A.E. Federal Law No (8) of 1984, as amended, and the Company's Articles of Association, Comviva Technologies FZ-LLC, one of the subsidiary of TML has created a statutory reserve by transferring 10% of its net profit for each year, to the maximum cumulative balance of the said reserve equals 50% of the issued share capital. This reserve is not available for distribution except as stipulated by the Law.
43. The Group has made provision for Claims and Warranties in the previous year as per customer contractual terms, the outcome of the same had got crystallized during the same year and hence there is no opening provision. During the current year the movement of the provision is as under:

₹ in Million

Particulars	For the Year ended March 31, 2013	For the Year ended March 31, 2012
Carrying amount as at the beginning of the year	-	168
Add : Addition due to acquisition of HGSL, Comviva and TMSAPL (refer note 23(g), 23(h) and 23(i))	3	-
Additional provision made during the year	10	164
Less: Amount paid/Utilised during year	2	23
Less: Amount recovered from subcontractor	7	100
Less: Reversal of provision no longer required	-	209
Balance as at	4	-

44. 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 (TML) 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 TML. The Appointed date of the Scheme is April 1, 2011.

The Board of Directors of TML have recommended to issue 2 fully paid up Equity Shares of ₹ 10 each of TML for every 17 fully paid Equity Shares of ₹ 2 each of MSAT. As the other amalgamating companies are wholly owned by TML / MSAT, no shares would be issued to shareholders of these companies.

The Bombay Stock Exchange and the National Stock Exchange have conveyed to the TML, their no-objection under Clause 24(f) of the Listing Agreement to the said Scheme. TML has also received approval of Competition Commission of India for the said Scheme. The Scheme was approved by the requisite majority of the equity shareholders of TML and MSAT in the court convened meetings held on 7th June 2012 and 8th June 2012 respectively. A Separate Special Resolution was also passed at the above mentioned meeting of the equity shareholders of TML held on 7th June 2012, whereas the requisite majority of the equity shareholders approved the reduction of its securities premium account.

Thereafter, TML, Venturbay, C&S, Logisoft and CanvasM had filed Petitions on 25th June 2012 respectively with the Honorable Bombay High Court seeking approval for the proposed Scheme. The Petitions were admitted by the Honorable Bombay High Court on 20th July 2012. 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. Hearing in the matter is concluded before the Honorable High Court of Andhra Pradesh closed for summer vacation and the order is awaited.

The merger is effective only on the last of the dates on which the certified copies of the orders of the High Court of Judicature at Bombay and the High Court of Judicature at Andhra Pradesh are filed with the Registrar of Companies ('ROC'), Mumbai and Pune, Maharashtra, and the ROC, Andhra Pradesh, Hyderabad respectively;" and as the Approvals of High Court of Judicature at Andhra Pradesh is yet to be received, the effect of the merger is not considered in the financial statements.

45. In respect of equity shares issued by TML pursuant to the Employees Stock Option Scheme, after the date of balance sheet for the year ended March 31, 2012 and before the book closure date for the Annual General Meeting, TML has paid dividend of ₹ 0.45 Million for the year 2011-12 and dividend tax thereon of ₹ 0.07 Million as approved by the shareholders in the Annual General Meeting dated August 10, 2012.
46. During the quarter ended December 31, 2012, remuneration structure of employees deputed by TML to UK who were remunerated on India salary plus UK allowances (to defray higher cost of living in the UK) was changed to consolidated UK salary without salary in India. The allowances paid in the UK were accounted as travel expenses. The salary structure was changed w.e.f April 1, 2012 & accordingly, travelling expenses (under operating and other expenses) and salary and bonus (under employee benefits expenses) for the period April 2012 to September 2012 are adjusted to give effect to the said change.
47. Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the group financial statements.
48. Revenue and Software, Hardware and Project Specific Expenses for the year ended 31st March 2013 include revenue and cost relating to one of the subsidiary of ₹ **328 Million** (previous year: ₹ Nil) and cost of ₹ **217 Million** (previous year: ₹ Nil) relating to sale and purchase of trading goods.
49. Previous year's figures have been regrouped wherever necessary, to conform to the classification for the year ended March 31, 2013.

Signatures to Notes

Anand G. Mahindra
Chairman
Hon. Akash Paul
Director
B.H. Wani
Director
Dr. Raj Reddy
Director
Sonjoy Anand
Chief Financial Officer
Mumbai, Dated: May 21, 2013

For Tech Mahindra Limited

Vineet Nayyar Executive Vice Chairman	C. P. Gurnani Managing Director
Anupam Puri Director	Bharat Doshi Director
M. Damodaran Director	Paul Zuckerman Director
Ravindra Kulkarni Director	Ulhas N. Yargop Director
Anil Khatri Company Secretary	

Statement pursuant to exemption received under Section 212(8) of the Companies Act, 1956 relating to subsidiary companies

Sr. No.	Name of the Subsidiary Company	Country	Reporting Currency	Exchange Rate	Capital	Reserves	Total Assets	Total Liabilities	Investment other than investment in Subsidiary	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend
1	Tech Mahindra (America) Inc.	USA	USD	54.29	20.36	1,246.18	3,046.90	1,780.36	-	8,952.58	488.04	195.31	292.73	-
2	Tech Mahindra GmbH	Germany	EUR	69.51	39.97	311.75	499.93	148.21	-	709.62	32.52	-	32.52	-
3	Tech Mahindra (Singapore) Pte. Limited	Singapore	SGD	43.72	2.19	141.95	236.01	91.87	-	150.76	(13.16)	(3.18)	(9.98)	-
4	Tech Mahindra (Thailand) Limited	Thailand	THB	1.85	9.26	4.14	14.13	0.72	-	3.53	0.23	(0.13)	0.36	-
5	Tech Mahindra Foundation	India	INR	1.00	0.50	550.39	550.97	0.08	-	112.21	(0.11)	-	(0.11)	-
6	PT Tech Mahindra Indonesia	Indonesia	USD	54.29	27.15	486.58	879.65	365.92	-	1,195.72	171.24	47.33	123.91	-
7	CanvasM Technologies Limited	India	INR	1.00	576.73	582.55	1,465.52	306.23	-	1,541.30	302.90	95.74	207.16	-
8	Tech Mahindra (Malaysia) SDN. BHD	Malaysia	RM	17.51	5.48	44.32	277.54	227.75	-	612.71	17.66	3.20	14.46	-
9	Tech Mahindra (Beijing) IT Services Ltd.	China	CNY	8.73	30.06	(18.07)	22.34	10.35	-	45.48	28.84	-	28.84	-
10	Tech Mahindra (Bahrain) Ltd S.P.C.	Bahrain	BHD	143.97	7.20	123.63	264.96	134.12	-	762.40	15.91	-	15.91	-
11	Tech Mahindra (Nigeria) Limited	Nigeria	NGN	0.34	52.45	64.80	698.44	581.18	-	749.30	(26.73)	5.18	(31.91)	-
12	Mahindra Logisoft Business Solutions Limited	India	INR	1.00	124.50	7.68	137.42	5.24	0.00	72.33	16.76	4.23	12.53	-
13	Venturbay Consultants Private Limited	India	INR	1.00	304.72	29,414.25	29,719.53	0.56	-	-	(0.70)	-	(0.70)	-
16	Tech Talenta Inc.	USA	USD	54.29	27.15	(6.08)	30.00	8.93	-	62.79	(9.95)	(3.88)	(6.07)	-
17	Hutchison Global Services Limited	India	INR	1.00	0.50	2,580.17	4,360.89	1,780.22	1,632.17	8,362.38	1,104.41	455.55	648.86	-
18	Comviva Technologies Limited	India	INR	1.00	218.65	2,237.06	4,346.71	1,891.00	112.77	4,981.05	642.43	204.22	438.21	-
19	Comviva Technologies Inc.	USA	USD	54.29	5.67	(0.08)	13.91	8.32	-	63.76	0.74	-	0.74	-
20	Comviva Technologies Nigeria Limited	Nigeria	NGN	0.34	3.43	4.67	200.87	192.77	-	157.70	28.37	21.11	7.26	-
21	Comviva Technologies FZ-LLC Limited	Dubai	AED	14.78	0.81	25.03	395.23	369.38	-	594.28	32.45	5.72	26.73	-
22	Comviva Technologies Pte. Limited	Singapore	SGD	43.72	0.04	(5.48)	10.98	16.42	-	16.43	(4.95)	-	(4.95)	-
23	Tech Mahindra South Africa PTY Ltd.	South Africa	ZAR	5.90	0.00	(0.14)	0.08	0.23	-	-	(0.00)	-	(0.00)	-

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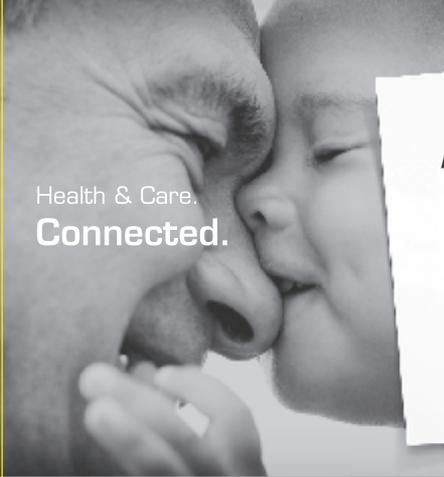
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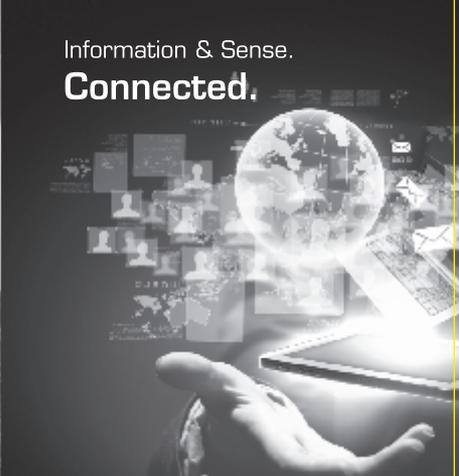
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**Tech
Mahindra**

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