

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

CIN L64200MH1986PLC041370

February 1, 2016

To

**The Manager,
Listing Department
Bombay Stock Exchange Limited**
Phiroze Jeejeebhoy Towers,
Dalal Street, MUMBAI – 400 001.
Scrip Code : 532755

**The Manager,
Listing Department
National Stock Exchange of India Ltd.**
Exchange Plaza, 5th floor, Plot No. – C/1,
G Block, Bandra-Kurla Complex,
Bandra (E), Mumbai – 400051.
NSE Symbol : TECHM

Dear Sir(s)

Sub: Outcome of Board Meeting held on February 1, 2016

Pursuant to Regulation 33 read with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR), we wish to inform that the Board of Directors of the Company in its meeting held today approved the audited financial results and consolidated financial results of the Company for the third quarter and nine months ended 31st December 2015.

In this regard, please find enclosed:

1. Audited financial results and consolidated financial results of the Company for the third quarter and nine months ended 31st December 2015 together with Auditors Report thereon.
2. Press Release on the financial results.
3. Fact Sheet giving certain operational financial parameters which will be put up on the Company website.

The above Financial Results along with documents mentioned therein are also available on the Stock Exchanges websites (www.nseindia.com/www.bseindia.com) and Company's website www.techmahindra.com.

This is for your information and record.

Thanking you,

For **Tech Mahindra Limited**



G. Jayaraman
Company Secretary &
Chief Compliance Officer

Encl.: As above

Revenue for the quarter at Rs.67,011 Mn, up 17% over previous year

Tech Mahindra Limited

Registered Office : Gateway Building, Apollo Bunder, Mumbai 400 001. Website : www.techmahindra.com.

Email : investor.relations@techmahindra.com. CIN : L64200MH1986PLC041370

Consolidated Audited Financial Results for the quarter and nine months ended December 31, 2015

PART I

Particulars	Quarter ended			Nine months ended		Rs. in Lakhs
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014	Year ended March 31, 2015
1 Income from Operations (Net)	670,114	661,554	575,170	1,961,050	1,650,448	2,262,127
2 Expenses						
a) Employee benefits expense	348,382	346,843	295,840	1,029,338	865,792	1,191,374
b) Travelling Expenses	22,024	22,362	19,044	74,514	64,934	89,602
c) Services rendered by Business Associates and Others	91,444	90,519	76,122	273,320	204,814	283,427
d) Depreciation and amortisation expense	17,362	19,738	14,412	54,432	43,927	61,138
e) Other expenses	94,687	91,721	67,162	265,736	189,361	278,512
Total Expenses	573,899	571,183	472,580	1,697,340	1,368,828	1,904,053
3 Profit from operations before other income and finance costs (1-2)	96,215	90,371	102,590	263,710	281,620	358,074
4 Other Income						
Exchange gain/(loss) (net)	(979)	(877)	(3,559)	7,464	(6,929)	(22,338)
Other Income	7,373	17,457	5,463	29,168	24,107	32,986
Total	6,394	16,580	1,904	36,632	17,178	10,648
5 Profit before finance costs (3+4)	102,609	106,951	104,494	300,342	298,798	368,722
6 Finance costs	2,439	1,728	1,382	6,308	4,331	6,910
7 Profit after finance costs but before tax (5-6)	100,170	105,223	103,112	294,034	294,467	361,812
8 Tax expense	23,271	26,045	25,121	70,303	77,509	95,956
9 Profit after Tax but before Share in Profit/ (Loss) of Associates and Minority Interest (7-8)	76,899	79,178	77,991	223,731	216,958	265,856
10 Share in Profit/(Loss) of Associates	(5)	39	-	144	-	14
11 Minority Interest	(970)	(654)	(314)	(1,779)	(1,400)	(3,103)
12 Profit after tax (9+10+11)	75,924	78,563	77,677	222,094	215,558	262,767
13 Special Adjustments (Refer Note 4.1)						
Profit earned by MESL from April 1, 2014 to September 30, 2014	-	-	2,853	-	-	-
14 Net Profit After Special Adjustments (12+13)	75,924	78,563	80,530	222,094	215,558	262,767
15 Paid-up Equity Share Capital (Face Value of Share Rs. 5) (refer note no.10)	48,342	48,117	23,998	48,342	23,998	48,039
16 Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year						1,164,675
17 Earnings Per Equity Share (Rs) (not annualised) (Refer Note No.10)						
- Basic	7.89	8.17	8.42	23.07	22.55	27.46
- Diluted	7.71	7.98	8.19	22.56	21.93	26.74

Standalone Information (Audited)

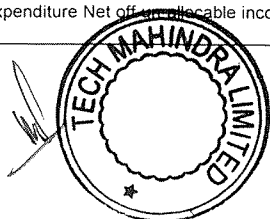
Particulars	Quarter ended			Nine months ended		Rs. in Lakhs
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014	Year ended March 31, 2015
Income from Operations	515,265	518,149	503,481	1,528,447	1,445,550	1,916,265
Profit before tax	78,425	118,105	87,667	294,038	241,433	293,046
Profit after tax	61,629	95,727	71,077	239,041	182,723	225,623

Primary Segments

The Company identifies its Primary Business Segments based on the type of services offered, i.e. IT Services & BPO services.

Segment wise Revenue, Results and Capital Employed

Particulars	Quarter ended			Nine months ended		Rs. in Lakhs
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014	Year ended March 31, 2015
Segment Revenue						
a) IT	617,224	610,952	525,436	1,812,500	1,510,262	2,076,218
b) BPO	52,890	50,602	49,734	148,550	140,186	185,909
Total	670,114	661,554	575,170	1,961,050	1,650,448	2,262,127
Less: Inter Segment Revenue	-	-	-	-	-	-
Net Sales / Income from operations	670,114	661,554	575,170	1,961,050	1,650,448	2,262,127
Segment Profit before tax, interest and depreciation						
a) IT	136,122	134,365	139,967	390,551	403,257	525,373
b) BPO	16,134	17,130	17,005	45,342	47,145	63,143
Total	152,256	151,495	156,972	435,893	450,402	588,516
Less:						
(i) Finance costs	2,439	1,728	1,382	6,308	4,331	6,910
(ii) Other un-allocable expenditure Net off un-allocable income	49,647	44,544	52,478	135,551	151,604	219,794
Profit before tax	100,170	105,223	103,112	294,034	294,467	361,812



Consolidated Audited Financial Results for the quarter and nine months ended December 31, 2015**Segmental Capital Employed**

Segregation of assets, liabilities, depreciation and other non-cash expenses into various primary segments has not been done as the assets are used interchangeably between segments. Accordingly no disclosure relating to Segmental assets and liabilities has been made.

Notes :

1. The quarterly and nine monthly results have been reviewed by the Audit Committee and taken on record by the Board of Directors in its meeting held on February 1, 2016.

2. Matters pertaining to erstwhile Satyam Computer Services Limited (erstwhile Satyam):**2.1 Investigation at erstwhile Satyam:**

In the letter dated January 7, 2009 Mr. B. Ramalinga Raju, the then Chairman of erstwhile Satyam, admitted that the Balance Sheet of erstwhile Satyam as at September 30, 2008 carried inflated cash and bank balances, non-existent accrued interest, an understated liability and an overstated debtors position. Consequently, various regulators/investigating agencies such as the Serious Fraud Investigation Office (SFIO)/Registrar of Companies (ROC), Directorate of Enforcement (ED), Central Bureau of Investigation (CBI), etc., had initiated investigations on various matters and conducted inspections and issued notices calling for information including from certain subsidiaries which have been responded to.

On April 13, 2009, SFIO filed seven cases out of which erstwhile Satyam was made accused in two cases for Companies Act violations. The Company Law Board vide its Order dated October 16, 2012 has compounded the said violations by levying a compounding fee of Rs. 11 Lakhs, which has already been paid by the Company in October 2012. There are no other proceedings initiated by SFIO against the Company and the Management does not expect any further proceedings or penal action against the Company.

On May 22, 2013, the ED has issued a show-cause notice to the erstwhile Satyam for contravention of provisions of the Foreign Exchange Management Act, 1999 (FEMA) for alleged non-repatriation of American Depository Receipts (ADR) proceeds aggregating USD 39.2 Million. The internal forensic investigation by the Management of erstwhile Satyam had also indicated possible diversion aggregating USD 41 Million from the proceeds of the ADR relating to erstwhile Satyam which was revised to USD 19 Million based on further details of utilization obtained. The Company has responded to the ED's show-cause notice on March 28, 2014 and has not received any further communication in this regard.

The ED had also issued a show-cause notice to the erstwhile Satyam on April 28, 2011 for contravention of the provisions of FEMA and the Foreign Exchange Management (Realisation, Repatriation and Surrender of Foreign Exchange) Regulations, 2000, in respect of the realisation and repatriation of export proceeds to the extent of foreign exchange equivalent to Rs. 5060 Lakhs for invoices raised during the period July 1997 to December 31, 2002. The erstwhile Satyam has responded to the show-cause notice and has not received any further communication in this regard.

The CBI has also completed the investigation and filed their charge sheet naming 10 accused. The Special Session Court vide its Order dated April 9, 2015 in the matter, has convicted all the 10 accused for offences punishable under various sections of Indian Penal Code. The erstwhile Satyam (since merged with the Company) was not an accused party and there were no proceedings initiated against it by the CBI on completion of their investigation. Thus, in the opinion of the Management, the matter is closed so far as the Company is concerned and no further proceedings against the Company is envisaged.

As per the assessment of the Management, based on the forensic investigation and the information available, all identified/required adjustments/disclosures arising from the identified financial irregularities, had been made in the financial statements of erstwhile Satyam as at March 31, 2009. Considerable time has elapsed after the initiation of investigation by various regulators / agencies and no new information has come to the Management's notice which requires adjustments to the financial statements. Further, no new claims have been received which need any further evaluation/adjustment/ disclosure in the books of account. However, further adjustments, if any, would be made as and when the aforesaid matters progress are concluded.

2.2 Various investigation agencies had identified certain non-compliances / breaches of various laws and regulations by erstwhile Satyam under the former Management (prior to Government nominated Board) including but not limited to the following - payment of remuneration /commission to whole-time directors/non-executive directors in excess of the limits prescribed under the Act, unauthorised borrowings, excess contributions to Satyam Foundation, loan to ASOP Trust (Satyam Associates Trust) without prior Board approval under the Act, delay in deposit of dividend in the bank, dividend paid without profits, non-transfer of profits to general reserve relating to interim dividend declared, utilisation of the Securities Premium account, declaration of bonus shares and violation of SEBI ESOP Guidelines. In respect of some of these matters, erstwhile Satyam (under the Management post Government nominated Board) has applied to the Honorable Company Law Board for condonation and the matters in respect of two cases were compounded as discussed in Note 2.1 above.

In respect of foreign currency receivables for the period's upto March 31, 2009, the required permission under the provisions of FEMA for extension of time had not been obtained from the appropriate authorities. Erstwhile Satyam under the Management post Government nominated Board has fully provided for these receivables.

In the opinion of the Management, considering that the other investigations namely CBI/SFIO having completed and the above matters not being pursued therein, the Management does not expect any further proceedings or penal action against the Company in these matter. However, further adjustments, if any, would be made as and when the aforesaid matters progress are concluded.

2.3 Alleged Advances

Consequent to the aforesaid letter, the erstwhile Satyam received letters from 37 companies requesting confirmation by way of acknowledgement for receipt of certain alleged amounts by the erstwhile Satyam (referred to as alleged advances). These letters were followed by legal notices from these companies dated August 4/5, 2009, claiming repayment of the alleged advances aggregating Rs. 123040 Lakhs stated to be given as temporary advances. Further, the internal forensic investigation was also unable to identify the nature of these transactions. The legal notices also claimed damages/compensation @18% per annum from the date of the advances till the date of repayment. The erstwhile Satyam has not acknowledged any liability to any of the 37 companies and has replied to the legal notices stating that the claims are legally untenable.

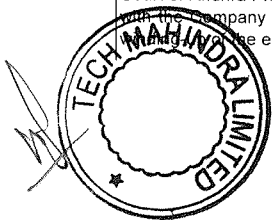
The 37 companies have filed petitions/suits for recovery against the erstwhile Satyam before the City Civil Court, Secunderabad (Court), with a prayer that these companies be declared as indigent persons for seeking exemption from payment of requisite court fees.

One petition where court fees have been paid, the pauper petition was converted into a suit which is pending disposal. The petitions filed by remaining 36 companies are before the Court, at various stages of rejection of pauperism/trial of pauperism/ inquiry to condone the delay in applications. In one petition, the delay in submission of the petition has been condoned by the Court and the Company has obtained an interim stay Order from the Honorable High Court of Andhra Pradesh, which has remanded the matter to the lower Court directing to consider the application afresh. Lower Court upon hearing the application has condoned the delay in re-submission of pauper petition. Company is taking necessary step to challenge the said Order.

Further in the course of the merger petition of erstwhile Satyam with the Company, the Honorable High Court held inter-alia, in its Order approving the merger of the erstwhile Satyam with the Company, that the contention of the 37 companies that Satyam is retaining the money, i.e. the alleged advances, of the 'creditors' and not paying them does not appear to be valid and further held that any right of the objecting creditors can be considered only if the genuineness of the debt is proved beyond doubt which is not so in this case.

The Honorable High Court in its Order, further held that in the absence of Board resolutions and documents evidencing acceptance of unsecured loans, i.e. alleged advances, by the former Management of the erstwhile Satyam, the new Management of the erstwhile Satyam is justified in not crediting the amounts received in their names and not disclosing them as creditors and in disclosing such amounts as 'Amounts pending investigation suspense account (net)' in the financial statements.

The said 37 companies have filed appeals before the Division Bench of the Honorable High Court of Andhra Pradesh, against the Orders of the Honorable High Court of Andhra Pradesh and the Honorable High Court of Judicature at Bombay sanctioning the scheme of merger of Satyam Computer Services Limited (Satyam) with the Company w.e.f. April 1, 2011, which are yet to be heard. One of the aforesaid companies has also appealed against the Order rejecting the Petition for merger of erstwhile Satyam. These matters have been combined for hearing.



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Consolidated Audited Financial Results for the quarter and nine months ended December 31, 2015

The Directorate of Enforcement (ED) is investigating the matter under the Prevention of Money Laundering Act, 2002 (PMLA) and directed the erstwhile Satyam not to return the alleged advances until further instructions. In furtherance to the investigation, certain fixed deposits of the Company with certain banks, then aggregating to Rs. 82200 Lakhs having alleged to be 'proceeds of crime' were provisionally attached vide Order dated October 18, 2012 by the Directorate of Enforcement (ED) (the Order). The Honorable High Court of Andhra Pradesh (the Court) had, pending further orders, granted stay of the said Order and all proceedings thereto vide its Order dated December 11, 2012. The ED had challenged the interim Order passed by the Single Judge before the Division Bench of the Court. During the quarter ended December 31, 2014, the Honorable High Court upon hearing the matter, has dismissed the Appeal filed by ED and continued the Stay granted by the Single Judge vide its Order dated December 31, 2014. Fixed Deposits initially attached aggregated to Rs 82200 Lakhs, of which Rs. 35700 Lakhs have been redeemed pursuant to the Order passed on December 31, 2014. Certain banks have not released the attached deposits and matter is being pursued legally.

A criminal case was filed by the ED before the Honorable XXI Additional Chief Metropolitan Magistrate, Hyderabad cum Special Sessions Court (Trial Court) under the Prevention of Money Laundering Act (PMLA), 2002 against erstwhile Satyam along with 212 accused persons. The Company had challenged the above complaint before the Honorable High Court of Andhra Pradesh which quashed the criminal complaint against the Company vide its Order dated December 22, 2014. On appeal, the Divisional Bench of the High Court, however passed an interim Order allowing the hearing for framing 'Charges'. A Special Leave Petition was filed by the Company before the Honorable Supreme Court of the India, which requested the Honorable High Court of Andhra Pradesh to dispose of the Writ Appeal within a period of four months and further directed the Trial Court to defer the trial till the said Writ Appeal is disposed off.

In view of the aforesaid developments and also based on legal opinion, the Management is of the view that the claim by the 37 companies for repayment of the alleged advances, including interest thereon is not legally tenable and the same has been reinforced.

However, notwithstanding the above, pending the final outcome of the recovery suit filed by the 37 companies in the City Civil Court and the ED matter under the PMLA pending before the Honorable High Court, the Company, as a matter of prudence, at this point of time, is continuing to classify the amounts of the alleged advances as 'Amounts pending investigation suspense account (net)', which would be accordingly dealt with/reclassified as and when appropriate.

2.4. Provision for taxation

The erstwhile Satyam had accounted for provision for taxation for several prior years aggregating Rs. 49892 Lakhs (net of taxes paid) as at March 31, 2013 (before giving effect to its amalgamation with the Company), for which the assessments are under dispute.

Subsequent to the amalgamation of erstwhile Satyam with the Company, considering the professional advice obtained in the matter, the Management has re-evaluated the effects of the possible outcomes of the tax matters in dispute relating to erstwhile Satyam and the estimated excess tax provision aggregating Rs. 22660 Lakhs, has been written back during the previous year ended March 31, 2014. In the opinion of the Management the balance provision for taxation carried in the books is adequate.

2.5 Satyam Venture Engineering Services Private Limited (SVES)

Accounting for sales commission

During the financial year 2011-12, the Board of SVES re-assessed the need to accrue sales commission in its books and based on such re-assessment took the view, when the financial statements of SVES for the year ended March 31, 2012 was tabled for approval, that the accrual of sales commission from FY 05-06 to FY 10-11 of Rs. 3590 Lakhs on be written back as other income in the Statement of Profit and Loss and the sales commission for the period from April 2011-December 2011 be reversed.

However, as a prudent measure, the Board directed that SVES to provide an amount of Rs. 5290 Lakhs as a provision for contingency, covering the period from FY 05-06 to FY 11-12 which in its opinion would be adequate to cover any possible outflow that may arise in respect of the above aforesaid matter and adjustments to the financial statements if any, arising out of dispute between joint venture partners to be made on final disposal of legal proceedings.

Taking into accounts subsequent legal developments and an order of the Honorable High Court of Andhra Pradesh dated August 23, 2013 in the matter directing all parties to maintain status quo, the Board of SVES did not make any provision for contingency in the current year towards sales commission but instead disclosed an amount of Rs. 7100 Lakhs (March 31, 2015: Rs. 5290 Lakhs) as contingent liability to cover any possible charge that may arise in respect of the above said matter, in the financial statements for the nine months ended December 31, 2015 and by way of abundant caution considering the issues before judicial authorities, notwithstanding the Board's view that there is no need to accrue sales commission.

Preparation of financial statements

At the Annual General Meetings of the SVES held on October 29, 2012, September 10, 2013, September 22, 2014 and September 07, 2015 one of the shareholders abstained from voting on the resolution for adoption of audited financial statements as at and for the year ended March 31, 2012, March 31, 2013, March 31, 2014 and March 31, 2015 respectively. In terms of Article 66 of the Articles of Association of SVES, the adoption of audited financial statements requires unanimous consent of both the shareholders of SVES. Therefore, the said financials have not been approved by the shareholders.

The financial statements as at and for the nine months ended December 31, 2015 have been drawn up incorporating the opening balances based on above said financial statements which have not been adopted by the Shareholders. Adjustments required, if any, will be made in accounts as and when determined.

3. Other income includes Rs. 3185 Lakhs write back during the quarter ended September 30, 2015 of an estimated excess provision for contingencies provided in an earlier year by erstwhile Satyam, based on actual receipt of VAT refund from the Joint Commissioner of Commercial Tax, Bangalore for Karnataka Value Added Tax and Central Sales Tax.

4. Scheme of Amalgamation and Arrangement of Mahindra Engineering Services Limited (MESL):

Pursuant to the Scheme of Amalgamation and Arrangement (the Scheme) sanctioned by the Honorable High Court of Judicature at Bombay vide its Order dated October 31, 2014, MESL, merged with the Company with effect from the appointed date of April 1, 2013. The Scheme came into effect on December 8, 2014, the day on which the Order was delivered to the Registrar of the Companies, and pursuant thereto the entire business and all the assets and liabilities, duties, taxes and obligations of MESL have been transferred to and vested in the Company with effect from April 1, 2013.

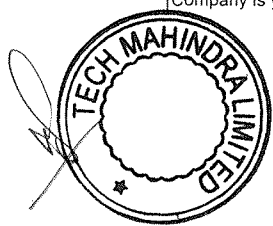
In accordance with the Scheme, the Company had, in December 2014, issued 5 Equity shares of Rs. 10 each fully paid-up in respect of every 12 Equity shares of Rs. 10 each of MESL, aggregating to 4259011 Equity shares as purchase consideration to the existing shareholders of MESL. The Company has initiated the formalities to transfer the title in respect of the contracts, agreements, etc. of MESL in its name.

4.1 As the Scheme has become effective from December 8, 2014 the figures for the quarter ended December 31, 2014, includes the operations of MESL and its subsidiaries for the half year ended September 30, 2014, which is disclosed as special adjustment below the line 'Profit after Tax' and operations of MESL and its subsidiaries for the period April 01, 2014 till the effective date (December 08, 2014) are included in the profits of the Company for the nine months ended December 31, 2014.

5. Scheme of Amalgamation and Arrangement of Tech Mahindra BPO Limited and New vC Services Private Limited:

The Board of Directors of the Company in their meeting held on May 26, 2015 had approved the Scheme of Amalgamation and Arrangement under applicable provisions of the Companies Act, 2013 of Tech Mahindra BPO Limited and New vC Services Private Limited, both wholly owned subsidiaries of the Company, with the Company. The Appointed date of the Scheme is April 1, 2015. Further, both the Transferor companies have filed the same before the Honorable High Court of Bombay on September 21, 2015, and the same was admitted on October 30, 2015. The approval of the Honorable High Court is awaited.

6. The Company has received an 'In-principle' approval to set up a 'Payments bank' from Reserve Bank of India (RBI) on September 07, 2015. The proposed Payments bank will be an independent Company licensed under Section 22 of the Banking Regulation Act, 1949 with equal equity contribution from the Company and Mahindra and Mahindra Financial Services Limited (MMFSL). The Payments bank would be established within 18 month from the date of the 'In-principle'. The Company is yet to incorporate the new entity.



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Consolidated Audited Financial Results for the quarter and nine months ended December 31, 2015

7. On December 14, 2015, the Company jointly with Mahindra entered into an agreement with Pincar S.r.l., to purchase a controlling stake in Pininfarina S.p.A., an iconic Italian brand in automotive and industrial design. As per the agreement, the Company and Mahindra would purchase 76.06 % stake in Pininfarina at a price of Euro 1.1 per share, subject to regulatory approvals. The total cost of acquisition for the Company would be EUR 15.18 Million (Rs. 10940 Lakhs). The said acquisition is expected to be concluded by June 2016. This acquisition would be through a joint venture where the Company and Mahindra and Mahindra Limited would hold in the ratio of 60:40.

8. During the nine months ended December 31, 2015 Mahindra Engineering GmbH was merged with Tech Mahindra GmbH w.e.f. April 1, 2015 as per the notarized merger order. Tech Mahindra Limited and Mahindra Engineering Services (Europe) Limited are shareholders of Mahindra Engineering GmbH holding 84% and 16% respectively.

As per the merger order, all assets and liabilities with duties and obligations are transferred to Tech Mahindra GmbH and the shareholders of Mahindra Engineering GmbH to waive off their rights. The company has already provided for its investment in Mahindra Engineering GmbH during the previous years. The company is in process of applying to RBI for the approval of write off for the said investment in the books of accounts.

9. Current tax expense for the quarter and nine months ended December 31, 2015 is net of excess provision of Rs. 1553 Lakhs and Rs. 3585 lakhs respectively (quarter and nine months ended December 31, 2014: Rs. 1302 lakhs and Rs. 1347 lakhs respectively) of earlier periods written back, no longer required.

10. For the quarter and nine months ended December 31, 2014, the equity shares and Basic and Diluted earnings per share has been presented to reflect the adjustment for bonus share and split in accordance with Accounting Standard 20 'Earnings Per Share'.

11. Revenue and Income from operations of certain subsidiaries amounting to Rs. 79237 lakhs (12 % of total revenue) and Rs. 228929 lakhs (12% of total revenue) respectively for the quarter and nine months ended December 31, 2015 and profit after tax of Rs. 1975 lakhs (3% of net profit after tax) and Rs.5049 Lakhs (2% of net profit after tax) respectively for the quarter and nine months ended December 31, 2015 have not been audited.

12. The results for the quarter and nine months ended December 31, 2014 viz-a-viz quarter and nine months ended December 31, 2015 are not strictly comparable as Company has acquired Lightbridge Communication Corporation and Sofgen Holdings Limited in the quarter ended 31st March 2015.

13. Previous period figures have been regrouped/rearranged wherever necessary.

14. The qualification in the Auditors' Report for the quarter and nine months ended December 31, 2015;

The qualification in the Auditors' report pertains to the following:

With respect to the matters described in Note 2.3 above, in the absence of complete / required information, and since the matter is sub-judice, their inability to comment on the accounting treatment/adjustments/disclosures relating to the aforesaid alleged advances amounting to Rs. 123040 Lakhs (net) and the related claims for damages/compensation/interest, which may become necessary as a result of the ongoing legal proceedings and the consequential impact, if any, on these financial results. However, in the eventuality of any payment up to Rs 123040 lakhs, against the aforesaid claims for the principal amounts of the alleged advances, there will be no impact on the profits/losses or reserves of the Company.

15. Emphasis of Matters

The Emphasis of Matters in the Auditor's Report pertain to the following:

- Note 2.1 in respect of the financial irregularities in the erstwhile Satyam relating to prior years identified consequent to the letter dated January 7, 2009 of the then Chairman of erstwhile Satyam, various regulators/investigating agencies initiated their investigations and legal proceedings, which are ongoing.
- Note 2.2 in respect of the non-compliances/breaches in the erstwhile Satyam relating to certain provisions of the Companies Act, 1956, certain employee stock option guidelines issued by the Securities Exchange Board of India and certain matters under the provisions of FEMA, observed in the prior years under its erstwhile Management (prior to the appointment of Government nominated Board).
- Note 2.3 in respect of appeals against the Order of the Honorable High Court of Andhra Pradesh approving the Scheme of merger filed by 37 companies before the Division Bench of the Honorable High Court of Andhra Pradesh. No interim orders have been passed and the appeals are yet to be heard.
- Note 2.4 in respect of provision for taxation for several prior years accounted by the erstwhile Satyam aggregating Rs.49892 Lakhs (net of taxes paid) as at March 31, 2013, (before giving effect to its amalgamation with the Company) for which the assessments are under dispute. Subsequent to the amalgamation, considering the professional advice obtained in the matter, the Company's Management has re-evaluated the effects of the possible outcomes of the tax matters in dispute relating to erstwhile Satyam and the estimated excess tax provision amounting to Rs. 22660 Lakhs has been written back during the year ended March 31, 2014. The Company's Management is of the view that the balance provision for taxation carried in the books in respect of the above is adequate.
- Note 2.5 - In the case of one of the subsidiary of the Company whose interim financial statements /information / results reflect total revenues of Rs. 5091 lakhs and Rs. 14404 lakhs for the Quarter and Nine Months ended December 31, 2015 respectively, and profit after tax of Rs. 525 lakhs and Rs. 2833 lakhs for the Quarter and Nine Months ended December 31, 2015 respectively, as considered in the consolidated financial results, the other auditors have drawn attention to the possible charge that may arise in respect of the on-going dispute, which is currently *sub judice*, between the promoters of the 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 years ended March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 have not been adopted by the members of that subsidiary in their respective annual general meetings 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 Nine Months ended December 31, 2015 have been drawn up incorporating the opening balances based on the above mentioned financial statements 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.

16. Management response to qualification and Emphasis of Matters:

With regard to the Auditors qualification in Note 14 above, refer to the details in Note 2.3.

There are no further developments on Emphasis of Matters (a) to (e) mentioned in Note 15 above which require adjustments to the financial statements.

17. The standalone financial results have been made available to the Stock Exchanges where the company's securities are listed and are posted on the company's website www.techmahindra.com.

Date : February 1, 2016

Place : Mumbai

C. P. Gurnani
Managing Director & CEO

**INDEPENDENT AUDITORS' REPORT ON AUDIT OF INTERIM FINANCIAL RESULTS
TO THE BOARD OF DIRECTORS OF
TECH MAHINDRA LIMITED**

1. We have audited the accompanying Statement of Consolidated Financial Results of Tech Mahindra Limited (the Holding Company) and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its share of the profit/(loss) of its associates for the Quarter and Nine Months ended December 31, 2015 (the Statement), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared on the basis of the related interim consolidated financial statements in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.
2. 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 Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the Statement 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 Holding 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 Statement.

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

3. Attention is invited to the following matter in respect of the erstwhile Satyam Computer Services Limited (erstwhile Satyam), amalgamated with the Company with effect from April 1, 2011:

As stated in Note 2.3, the alleged advances to the erstwhile Satyam, amounting to Rs. 123040 Lakhs (net) relating to prior years has been presented separately under 'Amounts pending investigation suspense account (net)' in the Balance Sheet. The details of these claims and the related developments are more fully described in the said Note.

Further, as stated in the said Note, the Company's Management is of the view that the claim regarding repayment of the alleged advances not being legally tenable has been reinforced in view of the developments described in the said Note including based on legal opinion. However, pending the final outcome of the recovery suit filed by the 37 companies in the City Civil Court and the Enforcement Directorate matter under the Prevention of Money Laundering Act pending before the Hon'ble High Court, the Company, as a matter of prudence, at this point of time, is continuing to classify the amounts of the alleged advances as 'Amounts pending investigation suspense account (net)', which would be appropriately dealt with/reclassified when the final outcome becomes clearer. Also, in the opinion of the Company's Management, even if the principal amounts of such claims are held to be tenable and the Company is required to repay these amounts, such an eventuality should not have an adverse bearing on either the Company's profits or its reserves in that period, since the Company has been legally advised that no damages/compensation/interest would be payable even in such an unlikely event.

In the absence of complete/required information, and since the matter is sub-judice, we are unable to comment on the accounting treatment/adjustments/disclosures relating to the aforesaid alleged advances amounting to Rs. 123040 Lakhs (net) and the related claims for damages/compensation/interest, which may become necessary as a result of the ongoing legal proceedings and the consequential impact, if any, on these financial statements. However, in the eventuality of any payment upto Rs. 123040 Lakhs, against the aforesaid claims for the principal amounts of the alleged advances, there should be no impact on the profits/losses or reserves of the Company.

4. We did not audit the interim financial statements/information/results of 20 subsidiaries (including step-down subsidiaries) included in the consolidated financial results, whose interim financial statements/information/results reflect total revenues of Rs. 46886 lakhs and Rs. 131450 lakhs for the Quarter and Nine Months ended December 31, 2015, respectively, and total profit after tax of Rs. 6683 lakhs and Rs. 21520 lakhs for the Quarter and Nine Months ended December 31, 2015, respectively, as considered in the consolidated financial results. These interim financial statements /information / results have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, 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.

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5. The consolidated financial results includes the unaudited interim financial statements/ information/results of 99 subsidiaries (including step-down subsidiaries) whose interim financial statements/ information/results reflect total revenues of Rs. 79237 lakhs and Rs. 228929 lakhs for the Quarter and Nine Months ended December 31, 2015, respectively, and total profit after tax of Rs. 1975 lakhs and Rs. 5049 lakhs for the Quarter and Nine Months ended December 31, 2015, respectively, as considered in the consolidated financial results. The consolidated financial results also includes the Group's share of profit/(loss) after tax of Rs. (3) lakhs and Rs. 135 lakhs for the Quarter and Nine Months ended December 31, 2015, respectively, as considered in the consolidated financial results, in respect of 4 associates, based on their unaudited interim financial statements/ information/results. Our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on such unaudited interim financial statements/information/results.
6. In our opinion and to the best of our information and according to the explanations given to us, except for the matters described in the paragraphs 3 and 5 above, the consequential effects, if any, of which are not quantifiable, and based on the consideration of the reports of the other auditors referred to in paragraph 4 above, the Statement:
- a. includes the results of the following entities:

Subsidiaries:

1. Citisoft Inc.
2. Citisoft Plc.
3. Complex IT Solution Consultoria EM Informatica S/A
4. Comviva Technologies FZ-LLC
5. Comviva Technologies Inc.
6. Comviva Technologies Limited
7. Comviva Technologies Nigeria Limited
8. Comviva Technologies Singapore Pte. Limited
9. FixStream Networks Inc.
10. Hedonmark {Management Services} Limited
11. Comviva Technologies B.V.
12. Lightbridge Communication Corporation and its subsidiaries
13. Mobex Money Transfer Services Limited
14. Mahindra Engineering Services (Europe) Limited
15. Mahindra Technologies Services Inc.
16. New vC Services Private Limited
17. Nth Dimension Limited
18. PT Tech Mahindra Indonesia
19. Quexa Systems Private Limited
20. Satyam Colombia Servicios DE Informatica SAS
21. Satyam Computer Services (Egypt) S.A.E
22. Tech Mahindra De Mexico S.DE R.L.DE C.V
23. Satyam Venture Engineering Services (Shanghai) Co. Limited
24. Satyam Venture Engineering Services GmbH

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25. Satyam Venture Engineering Services Private Limited
26. Sofgen Holdings Limited and its subsidiaries
27. Tech Mahindra (Americas) Inc.
28. Tech Mahindra (Bahrain) Limited S.P.C
29. Tech Mahindra (Beijing) IT Services Limited
30. Tech Mahindra (Malaysia) Sdn. Bhd.
31. Tech Mahindra (Nanjing) Co. Limited
32. Tech Mahindra (Nigeria) Limited
33. Tech Mahindra (Shanghai) Co. Limited
34. Tech Mahindra (Singapore) Pte. Limited
35. Tech Mahindra (Thailand) Limited
36. Tech Mahindra BPO Limited
37. Tech Mahindra Business Services GmbH
38. Tech Mahindra Business Services Limited
39. Tech Mahindra GmbH
40. Tech Mahindra ICT Services (Malaysia) Sdn. Bhd.
41. Tech Mahindra IPR Inc.
42. Tech Mahindra IT-Services GmbH
43. Tech Mahindra Servicios De Informatica LTDA
44. Tech Mahindra South Africa (Pty) Limited
45. Tech Mahindra Technologies Inc.
46. Tech Mahindra DRC SARLU
47. Tech Mahindra Arabia Limited
48. Tech Mahindra Growth Factories Limited
49. Tech Mahindra France SAS
50. Tech Mahindra Netherlands BV
51. Tech Talenta Inc.
52. TechM Canada Inc.
53. Terra Payment Services (Netherlands) B.V.
54. Terra Payment Services South Africa (PTY) Limited
55. vCustomer Philippines, Inc.
56. vCustomer Philippines (Cebu), Inc.

Associates

57. Avion Networks Inc
58. EURL LCC UK Algerie
59. IQS Information Solution WLL Qatar
60. SARL Djazatech

- b. is presented in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- c. gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other

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financial information of the Group for the Quarter and Nine Months ended December 31, 2015.

7. We draw attention to the following matters/notes to the Statement:

- (a) Notes 2.1 in respect of the financial irregularities in the erstwhile Satyam relating to prior years identified consequent to the letter dated January 7, 2009 of the then Chairman of erstwhile Satyam, various regulators/investigating agencies initiated their investigations and legal proceedings, which are ongoing.
- (b) Note 2.2 in respect of the non-compliances/breaches in the erstwhile Satyam relating to certain provisions of the Companies Act, 1956, certain employee stock option guidelines issued by the Securities Exchange Board of India and certain matters under the provisions of FEMA, observed in the prior years under its erstwhile management (prior to the appointment of Government nominated Board).
- (c) Note 2.3 in respect of appeals against the Order of the Hon'ble High Court of Andhra Pradesh approving the Scheme of merger filed by 37 companies before the Division Bench of the Honorable High Court of Andhra Pradesh. No interim orders have been passed and the appeals are yet to be heard.
- (d) Note 2.4 in respect of provision for taxation for several prior years accounted by the erstwhile Satyam aggregating Rs. 49892 Lakhs (net of taxes paid) as at March 31, 2013 (before giving effect to its amalgamation with the Company) for which the assessments are under dispute. Subsequent to the amalgamation, considering the professional advice obtained in the matter, the Company's Management has re-evaluated the effects of the possible outcomes of the tax matters in dispute relating to erstwhile Satyam and the estimated excess tax provision amounting to Rs. 22660 Lakhs has been written back during the year ended March 31, 2014. The Company's Management is of the view that the balance provision for taxation carried in the books in respect of the above is adequate.

The Company's Management is of the view that the above investigations/ proceedings would not result in any additional material provisions/write-offs/adjustments (other than those already provided for/written-off or disclosed) in the financial statements of the Company. However, any further adjustments, as may be required in the financial statements of the Company would be made as and when any further outcomes of the above matters are concluded.

- (e) Note 2.5 in respect of one of the subsidiary of the Company whose interim financial statements /information / results reflect total revenues of Rs. 5091 lakhs and Rs. 14404 lakhs for the Quarter and Nine Months ended December 31, 2015 respectively, and profit after tax of Rs. 525 lakhs and Rs. 2833 lakhs for the Quarter and Nine Months ended December 31, 2015 respectively, as considered in the consolidated financial results, the other auditors have drawn attention to the possible charge that may arise in respect of the on-going dispute, which is currently *sub judice*, between the promoters of the subsidiary on various issues

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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 years ended March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 have not been adopted by the members of that subsidiary in their respective annual general meetings 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 Nine Months ended December 31, 2015 have been drawn up incorporating the opening balances based on the above mentioned financial statements 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.

Our opinion is not modified in respect of these matters.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



A.B Jani
Partner
(Membership No. 46488)

Place: Mumbai
Date: February 1, 2016

Tech Mahindra Limited

Registered Office : Gateway Building, Apollo Bunder, Mumbai 400 001.

Website : www.techmahindra.com. Email : investor.relations@techmahindra.com. CIN : L64200MH1986PLC041370

Standalone Audited Financial Results for the quarter and nine months ended December 31, 2015

PART I

Rs. in Lakhs

Particulars	Quarter ended			Nine months ended		Year
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014	March 31, 2015
1 Income from Operations (Net)	515,265	518,149	503,481	1,528,447	1,445,550	1,916,265
2 Expenses						
a) Employee benefits expense	180,230	179,490	183,104	539,934	538,653	720,122
b) Travelling Expenses	9,989	9,244	12,165	30,285	40,212	51,579
c) Services rendered by Business Associates and Others	200,813	194,062	167,031	583,762	474,122	641,821
d) Depreciation and amortisation expense	11,738	14,082	11,156	38,029	34,874	47,329
e) Other expenses	40,324	49,777	45,080	133,900	129,134	176,162
Total Expenses	443,094	446,655	418,536	1,325,910	1,216,995	1,637,013
3 Profit from operations before other income, finance costs and exceptional item (1-2)	72,171	71,494	84,945	202,537	228,555	279,252
4 Other Income						
Exchange gain / (loss) (net)	1,214	(255)	(3,030)	9,494	(7,894)	(20,014)
Other income (Refer Note 4)	6,660	47,926	6,910	82,490	24,591	32,462
Total	7,874	47,671	3,880	91,984	16,697	12,448
5 Profit before finance costs and exceptional item (3+4)	80,045	119,165	88,825	294,521	245,252	291,700
6 Finance costs	1,620	1,060	1,158	4,019	3,819	4,781
7 Profit after finance costs but before exceptional item and tax (5-6)	78,425	118,105	87,667	290,502	241,433	286,919
8 Exceptional item - Income (Refer Note 3(a) and (b))	-	-	-	3,536	-	6,127
9 Profit before tax (7+8)	78,425	118,105	87,667	294,038	241,433	293,046
10 Tax expense - Current and Deferred Tax	16,796	22,378	19,132	54,997	58,710	67,423
11 Profit after tax (9-10)	61,629	95,727	68,535	239,041	182,723	225,623
12 Special Adjustments (Refer Note 5.1)						
Profit earned by MESL from April 1, 2014 to September 30, 2014	-	-	2,542	-	-	-
13 Net Profit After Special Adjustments (11+12)	61,629	95,727	71,077	239,041	182,723	225,623
14 Paid-up Equity Share Capital (Face Value of Share Rs. 5) (refer note no.11)	48,342	48,117	23,998	48,342	23,998	48,039
15 Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year						1,069,747
16 Earnings Per Equity Share (Rs) (Before exceptional item) (not annualised) (Refer Note No.11)						
- Basic	6.40	9.96	7.44	24.46	19.12	22.94
- Diluted	6.26	9.73	7.23	23.93	18.59	22.33
17 Earnings Per Equity Share (Rs) (After exceptional item) (not annualised) (Refer Note No.11)						
- Basic	6.40	9.96	7.44	24.83	19.12	23.58
- Diluted	6.26	9.73	7.23	24.29	18.59	22.96

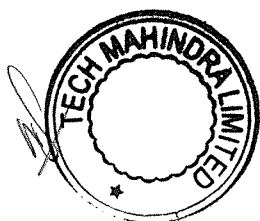
Notes :

1. The quarterly and nine monthly results have been reviewed by the Audit Committee and taken on record by the Board of Directors in its meeting held on February 1, 2016.

2. Matters pertaining to erstwhile Satyam Computer Services Limited (erstwhile Satyam):
2.1 Investigations at erstwhile Satyam:

In the letter dated January 7, 2009 Mr. B. Ramalinga Raju, the then Chairman of erstwhile Satyam, admitted that the Balance Sheet of erstwhile Satyam as at September 30, 2008 carried inflated cash and bank balances, non-existent accrued interest, an understated liability and an overstated debtors position. Consequently, various regulators/investigating agencies such as the Serious Fraud Investigation Office (SFIO)/Registrar of Companies (ROC), Directorate of Enforcement (ED), Central Bureau of Investigation (CBI), etc., had initiated investigations on various matters and conducted inspections and issued notices calling for information including from certain subsidiaries which have been responded to.

On April 13, 2009, SFIO filed seven cases out of which erstwhile Satyam was made accused in two cases for Companies Act violations. The Company Law Board vide its Order dated October 16, 2012 has compounded the said violations by levying a compounding fee of Rs. 11 Lakhs, which has already been paid by the Company in October 2012. There are no other proceedings initiated by SFIO against the Company and the Management does not expect any further proceedings or penal action against the Company.



On May 22, 2013, the ED has issued a show-cause notice to the erstwhile Satyam for contravention of provisions of the Foreign Exchange Management Act, 1999 (FEMA) for alleged non-repatriation of American Depository Receipts (ADR) proceeds aggregating USD 39.2 Million. The internal forensic investigation by the Management of erstwhile Satyam had also indicated possible diversion aggregating USD 41 Million from the proceeds of the ADR relating to erstwhile Satyam which was revised to USD 19 Million based on further details of utilization obtained. The Company has responded to the ED's show-cause notice on March 28, 2014 and has not received any further communication in this regard.

The ED had also issued a show-cause notice to the erstwhile Satyam on April 28, 2011 for contravention of the provisions of FEMA and the Foreign Exchange Management (Realisation, Repatriation and Surrender of Foreign Exchange) Regulations, 2000, in respect of the realisation and repatriation of export proceeds to the extent of foreign exchange equivalent to Rs. 5060 Lakhs for invoices raised during the period July 1997 to December 31, 2002. The erstwhile Satyam has responded to the show-cause notice and has not received any further communication in this regard.

The CBI has also completed the investigation and filed their charge sheet naming 10 accused. The Special Session Court vide its Order dated April 9, 2015 in the matter, has convicted all the 10 accused for offences punishable under various sections of Indian Penal Code. The erstwhile Satyam (since merged with the Company) was not an accused party and there were no proceedings initiated against it by the CBI on completion of their investigation. Thus, in the opinion of the Management, the matter is closed so far as the Company is concerned and no further proceedings against the Company is envisaged.

As per the assessment of the Management, based on the forensic investigation and the information available, all identified/required adjustments/disclosures arising from the identified financial irregularities, had been made in the financial statements of erstwhile Satyam as at March 31, 2009. Considerable time has elapsed after the initiation of investigation by various regulators / agencies and no new information has come to the Management's notice which requires adjustments to the financial statements. Further, no new claims have been received which need any further evaluation/adjustment/ disclosure in the books of account. However, further adjustments, if any, would be made as and when the aforesaid matters progress are concluded.

2.2 Various investigation agencies had identified certain non-compliances / breaches of various laws and regulations by erstwhile Satyam under the former Management (prior to Government nominated Board) including but not limited to the following - payment of remuneration /commission to whole-time directors/non-executive directors in excess of the limits prescribed under the Act, unauthorised borrowings, excess contributions to Satyam Foundation, loan to ASOP Trust (Satyam Associates Trust) without prior Board approval under the Act, delay in deposit of dividend in the bank, dividend paid without profits, non-transfer of profits to general reserve relating to interim dividend declared, utilisation of the Securities Premium account, declaration of bonus shares and violation of SEBI ESOP Guidelines. In respect of some of these matters, erstwhile Satyam (under the Management post Government nominated Board) has applied to the Honorable Company Law Board for condonation and the matters in respect of two cases were compounded as discussed in Note 2.1 above.

In respect of foreign currency receivables for the period's upto March 31, 2009, the required permission under the provisions of FEMA for extension of time had not been obtained from the appropriate authorities. Erstwhile Satyam under the Management post Government nominated Board has fully provided for these receivables.

In the opinion of the Management, considering that the other investigations namely CBI/SFIO having completed and the above matters not being pursued therein, the Management does not expect any further proceedings or penal action against the Company in these matter. However, further adjustments, if any, would be made as and when the aforesaid matters progress are concluded.

2.3 Alleged Advances

Consequent to the aforesaid letter, the erstwhile Satyam received letters from 37 companies requesting confirmation by way of acknowledgement for receipt of certain alleged amounts by the erstwhile Satyam (referred to as alleged advances). These letters were followed by legal notices from these companies dated August 4/5, 2009, claiming repayment of the alleged advances aggregating Rs. 123040 Lakhs stated to be given as temporary advances. Further, the internal forensic investigation was also unable to identify the nature of these transactions. The legal notices also claimed damages/compensation @18% per annum from the date of the advances till the date of repayment. The erstwhile Satyam has not acknowledged any liability to any of the 37 companies and has replied to the legal notices stating that the claims are legally untenable.

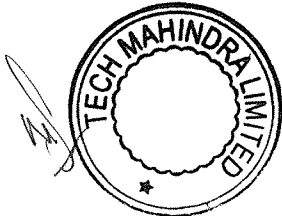
The 37 companies have filed petitions/suits for recovery against the erstwhile Satyam before the City Civil Court, Secunderabad (Court), with a prayer that these companies be declared as indigent persons for seeking exemption from payment of requisite court fees.

One petition where court fees have been paid, the pauper petition was converted into a suit which is pending disposal. The petitions filed by remaining 36 companies are before the Court, at various stages of rejection of pauperism/trial of pauperism/ inquiry to condone the delay in applications. In one petition, the delay in submission of the petition has been condoned by the Court and the Company has obtained an interim stay Order from the Honorable High Court of Andhra Pradesh, which has remanded the matter to the lower Court directing to consider the application afresh. Lower Court upon hearing the application has condoned the delay in re-submission of pauper petition. Company is taking necessary step to challenge the said Order.

Further in the course of the merger petition of erstwhile Satyam with the Company, the Honorable High Court held inter-alia, in its Order approving the merger of the erstwhile Satyam with the Company, that the contention of the 37 companies that Satyam is retaining the money, i.e. the alleged advances, of the 'creditors' and not paying them does not appear to be valid and further held that any right of the objecting creditors can be considered only if the genuineness of the debt is proved beyond doubt which is not so in this case.

The Honorable High Court in its Order, further held that in the absence of Board resolutions and documents evidencing acceptance of unsecured loans, i.e. alleged advances, by the former Management of the erstwhile Satyam, the new Management of the erstwhile Satyam is justified in not crediting the amounts received in their names and not disclosing them as creditors and in disclosing such amounts as 'Amounts pending investigation suspense account (net)' in the financial statements.

The said 37 companies have filed appeals before the Division Bench of the Honorable High Court of Andhra Pradesh, against the Orders of the Honorable High Court of Andhra Pradesh and the Honorable High Court of Judicature at Bombay sanctioning the scheme of merger of Satyam Computer Services Limited (Satyam) with the Company w.e.f. April 1, 2011, which are yet to be heard. One of the aforesaid companies has also appealed against the Order rejecting the Petition for winding-up of the erstwhile Satyam. These matters have been combined for hearing.



The Directorate of Enforcement (ED) is investigating the matter under the Prevention of Money Laundering Act, 2002 (PMLA) and directed the erstwhile Satyam not to return the alleged advances until further instructions. In furtherance to the investigation, certain fixed deposits of the Company with certain banks, then aggregating to Rs. 82200 Lakhs having alleged to be 'proceeds of crime' were provisionally attached vide Order dated October 18, 2012 by the Directorate of Enforcement (ED) (the Order). The Honorable High Court of Andhra Pradesh (the Court) had, pending further orders, granted stay of the said Order and all proceedings thereto vide its Order dated December 11, 2012. The ED had challenged the interim Order passed by the Single Judge before the Division Bench of the Court. During the quarter ended December 31, 2014, the Honorable High Court upon hearing the matter, has dismissed the Appeal filed by ED and continued the Stay granted by the Single Judge vide its Order dated December 31, 2014. Fixed Deposits initially attached aggregated to Rs 82200 Lakhs, of which Rs. 35700 Lakhs have been redeemed pursuant to the Order passed on December 31, 2014. Certain banks have not released the attached deposits and matter is being pursued legally.

A criminal case was filed by the ED before the Honorable XXI Additional Chief Metropolitan Magistrate, Hyderabad cum Special Sessions Court (Trial Court) under the Prevention of Money Laundering Act (PMLA), 2002 against erstwhile Satyam along with 212 accused persons. The Company had challenged the above complaint before the Honorable High Court of Andhra Pradesh which quashed the criminal complaint against the Company vide its Order dated December 22, 2014. On appeal, the Divisional Bench of the High Court, however passed an interim Order allowing the hearing for framing 'Charges'. A Special Leave Petition was filed by the Company before the Honorable Supreme Court of the India, which requested the Honorable High Court of Andhra Pradesh to dispose of the Writ Appeal within a period of four months and further directed the Trial Court to defer the trial till the said Writ Appeal is disposed off.

In view of the aforesaid developments and also based on legal opinion, the Management is of the view that the claim by the 37 companies for repayment of the alleged advances, including interest thereon is not legally tenable and the same has been reinforced.

However, notwithstanding the above, pending the final outcome of the recovery suit filed by the 37 companies in the City Civil Court and the ED matter under the PMLA pending before the Honorable High Court, the Company, as a matter of prudence, at this point of time, is continuing to classify the amounts of the alleged advances as 'Amounts pending investigation suspense account (net)', which would be accordingly dealt with/reclassified as and when appropriate.

2.4. Provision for taxation

The erstwhile Satyam had accounted for provision for taxation for several prior years aggregating Rs. 49892 Lakhs (net of taxes paid) as at March 31, 2013 (before giving effect to its amalgamation with the Company), for which the assessments are under dispute.

Subsequent to the amalgamation of erstwhile Satyam with the Company, considering the professional advice obtained in the matter, the Management has re-evaluated the effects of the possible outcomes of the tax matters in dispute relating to erstwhile Satyam and the estimated excess tax provision aggregating Rs. 22660 Lakhs, has been written back during the previous year ended March 31, 2014. In the opinion of the Management the balance provision for taxation carried in the books is adequate.

3. Exceptional items

a) Based on the Management's assessment and improved financial performance of Tech Mahindra GmbH, the Company as at December 31, 2015, has reversed the provision for diminution in value of its investment in Tech Mahindra GmbH, which was provided for in an earlier year, amounting to Rs. 3536 Lakhs.

b) During the previous year ended March 31, 2015, based on the Management's assessment and improved financial performance of Citisoft Plc, the Company had reversed the provision for diminution in value of its investment in Citisoft Plc, which was provided in earlier years, amounting to Rs. 6127 Lakhs.

4. Other income includes Rs. 3185 Lakhs write back during the quarter ended September 30, 2015 of an estimated excess provision for contingencies provided in an earlier year by erstwhile Satyam, based on actual receipt of VAT refund from the Joint Commissioner of Commercial Tax, Bangalore for Karnataka Value Added Tax and Central Sales Tax.

5. Scheme of Amalgamation and Arrangement of Mahindra Engineering Services Limited (MESL):

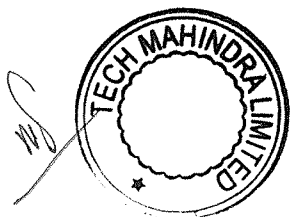
Pursuant to the Scheme of Amalgamation and Arrangement (the Scheme) sanctioned by the Honorable High Court of Judicature at Bombay vide its Order dated October 31, 2014, MESL, merged with the Company with effect from the appointed date of April 1, 2013. The Scheme came into effect on December 8, 2014, the day on which the Order was delivered to the Registrar of the Companies, and pursuant thereto the entire business and all the assets and liabilities, duties, taxes and obligations of MESL have been transferred to and vested in the Company with effect from April 1, 2013.

In accordance with the Scheme, the Company had, in December 2014, issued 5 Equity shares of Rs. 10 each fully paid-up in respect of every 12 Equity shares of Rs. 10 each of MESL, aggregating to 4259011 Equity shares as purchase consideration to the existing shareholders of MESL. The Company has initiated the formalities to transfer the title in respect of the contracts, agreements, etc. of MESL in its name.

5.1 As the Scheme has become effective from December 8, 2014 the figures for the quarter ended December 31, 2014, includes the operations of MESL for the half year ended September 30, 2014, which is disclosed as special adjustment below the line 'Profit after Tax' and operations of MESL for the period April 01, 2014 till the effective date (December 08, 2014) are included in the profits of the Company for the nine months ended December 31, 2014.

6. Scheme of Amalgamation and Arrangement of Tech Mahindra BPO Limited and New vC Services Private Limited:

The Board of Directors of the Company in their meeting held on May 26, 2015 had approved the Scheme of Amalgamation and Arrangement under applicable provisions of the Companies Act, 2013 of Tech Mahindra BPO Limited and New vC Services Private Limited, both wholly owned subsidiaries of the Company, with the Company. The Appointed date of the Scheme is April 1, 2015. Further, both the Transferor companies have filed the same before the Honorable High Court of Bombay on September 21, 2015, and the same was admitted on October 30, 2015. The approval of the Honorable High Court is awaited.



Tech Mahindra Limited

Registered Office : Gateway Building, Apollo Bunder, Mumbai 400 001.

Website : www.techmahindra.com. Email : investor.relations@techmahindra.com. CIN : L64200MH1986PLC041370**Standalone Audited Financial Results for the quarter and nine months ended December 31, 2015**

7. The Company has received an 'In-principle' approval to set up a 'Payments bank' from Reserve Bank of India (RBI) on September 07, 2015. The proposed Payments bank will be an independent Company licensed under Section 22 of the Banking Regulation Act, 1949 with equal equity contribution from the Company and Mahindra and Mahindra Financial Services Limited (MMFSL). The Payments bank would be established within 18 month from the date of the 'In-principle'. The Company is yet to incorporate the new entity.

8. On December 14, 2015, the Company jointly with Mahindra & Mahindra entered into an agreement with Pincar S.r.l., to purchase a controlling stake in Pininfarina S.p.A., an iconic Italian brand in automotive and industrial design. As per the agreement, the Company and Mahindra and Mahindra would purchase 76.06 % stake in Pininfarina at a price of Euro 1.1 per share, subject to regulatory approvals. The total cost of acquisition for the Company would be EUR 15.18 Million (Rs. 10940 Lakhs). The said acquisition is expected to be concluded by June 2016. This acquisition would be through a joint venture where the Company and Mahindra and Mahindra Limited would hold in the ratio of 60:40.

9. During the nine months ended December 31, 2015 Mahindra Engineering GmbH was merged with Tech Mahindra GmbH w.e.f. April 1, 2015 as per the notarized merger order. Tech Mahindra Limited and Mahindra Engineering Services (Europe) Limited are shareholders of Mahindra Engineering GmbH holding 84% and 16% respectively.

As per the merger order, all assets and liabilities with duties and obligations are transferred to Tech Mahindra GmbH and the shareholders of Mahindra Engineering GmbH to waive off their rights. The company has already provided for its investment in Mahindra Engineering GmbH during the previous years. The company is in process of applying to RBI for the approval of write off for the said investment in the books of accounts.

10. Current tax expense for the quarter and nine months ended December 31, 2015 is net of excess provision of Rs. 1553 Lakhs and Rs. 3585 lakhs respectively (quarter and nine months ended December 31, 2014: Rs. 1302 lakhs and Rs. 1347 lakhs respectively) of earlier periods written back, no longer required.

11. For the quarter and nine months ended December 31, 2014, the equity shares and Basic and Diluted earnings per share has been presented to reflect the adjustment for bonus share and split in accordance with Accounting Standard 20 'Earnings Per Share'.

12. Previous period figures have been regrouped/rearranged wherever necessary.

13. The qualification in the Auditors' Report for the quarter and nine months ended December 31, 2015:

The qualification in the Auditors' report pertains to the following:

With respect to the matters described in Note 2.3 above, in the absence of complete / required information, and since the matter is sub-judice, their inability to comment on the accounting treatment/adjustments/disclosures relating to the aforesaid alleged advances amounting to Rs. 123040 Lakhs (net) and the related claims for damages/compensation/interest, which may become necessary as a result of the ongoing legal proceedings and the consequential impact, if any, on these financial results. However, in the eventuality of any payment up to Rs 123040 lakhs, against the aforesaid claims for the principal amounts of the alleged advances, there will be no impact on the profits/losses or reserves of the Company.

14. Emphasis of Matters

The Emphasis of Matters in the Auditor's Report pertain to the following:

- Note 2.1 in respect of the financial irregularities in the erstwhile Satyam relating to prior years identified consequent to the letter dated January 7, 2009 of the then Chairman of erstwhile Satyam, various regulators/investigating agencies initiated their investigations and legal proceedings, which are ongoing.
- Note 2.2 in respect of the non-compliances/breaches in the erstwhile Satyam relating to certain provisions of the Companies Act, 1956, certain employee stock option guidelines issued by the Securities Exchange Board of India and certain matters under the provisions of FEMA, observed in the prior years under its erstwhile Management (prior to the appointment of Government nominated Board).
- Note 2.3 in respect of appeals against the Order of the Honorable High Court of Andhra Pradesh approving the Scheme of merger filed by 37 companies before the Division Bench of the Honorable High Court of Andhra Pradesh. No interim orders have been passed and the appeals are yet to be heard.
- Note 2.4 in respect of provision for taxation for several prior years accounted by the erstwhile Satyam aggregating Rs.49892 Lakhs (net of taxes paid) as at March 31, 2013, (before giving effect to its amalgamation with the Company) for which the assessments are under dispute. Subsequent to the amalgamation, considering the professional advice obtained in the matter, the Company's Management has re-evaluated the effects of the possible outcomes of the tax matters in dispute relating to erstwhile Satyam and the estimated excess tax provision amounting to Rs. 22660 Lakhs has been written back during the year ended March 31, 2014. The Company's Management is of the view that the balance provision for taxation carried in the books in respect of the above is adequate.

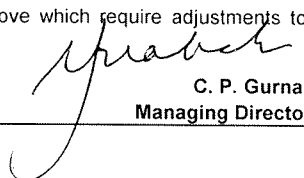
15. Management response to qualification and Emphasis of Matters:

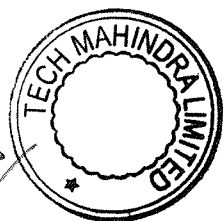
With regard to the Auditors qualification in Note 13 above, refer to the details in Note 2.3.

There are no further developments on Emphasis of Matters (a) to (d) mentioned in Note 14 above which require adjustments to the financial statements.

Date : February 1, 2016

Place : Mumbai


C. P. Gurnani
Managing Director & CEO



**INDEPENDENT AUDITORS' REPORT ON AUDIT OF INTERIM FINANCIAL RESULTS
TO THE BOARD OF DIRECTORS OF
TECH MAHINDRA LIMITED**

1. We have audited the accompanying Statement of Standalone Financial Results of Tech Mahindra Limited (the Company) for the Quarter and Nine Months ended December 31, 2015 (the Statement), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related interim financial statements in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.
2. 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 Statement is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, 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 Statement 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 Statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion
3. Attention is invited to the following matter in respect of the erstwhile Satyam Computer Services Limited (erstwhile Satyam), amalgamated with the Company with effect from April 1, 2011:

ASMP

As stated in Note 2.3, the alleged advances to the erstwhile Satyam, amounting to Rs. 123040 Lakhs (net) relating to prior years has been presented separately under 'Amounts pending investigation suspense account (net)' in the Balance Sheet. The details of these claims and the related developments are more fully described in the said Note.

Further, as stated in the said Note, the Company's Management is of the view that the claim regarding repayment of the alleged advances not being legally tenable has been reinforced in view of the developments described in the said Note including based on legal opinion. However, pending the final outcome of the recovery suit filed by the 37 companies in the City Civil Court and the Enforcement Directorate matter under the Prevention of Money Laundering Act pending before the Hon'ble High Court, the Company, as a matter of prudence, at this point of time, is continuing to classify the amounts of the alleged advances as 'Amounts pending investigation suspense account (net)', which would be appropriately dealt with/reclassified when the final outcome becomes clearer. Also, in the opinion of the Company's Management, even if the principal amounts of such claims are held to be tenable and the Company is required to repay these amounts, such an eventuality should not have an adverse bearing on either the Company's profits or its reserves in that period, since the Company has been legally advised that no damages/ compensation/ interest would be payable even in such an unlikely event.

In the absence of complete / required information, and since the matter is sub-judice, we are unable to comment on the accounting treatment/ adjustments/disclosures relating to the aforesaid alleged advances amounting to Rs. 123040 Lakhs (net) and the related claims for damages/compensation/interest, which may become necessary as a result of the ongoing legal proceedings and the consequential impact, if any, on these financial statements. However, in the eventuality of any payment upto Rs. 123040 Lakhs, against the aforesaid claims for the principal amounts of the alleged advances, there should be no impact on the profits / losses or reserves of the Company.

4. In our opinion and to the best of our information and according to the explanations given to us the Statement, except for the matter described in the paragraph 3 above, the consequential effects, if any, of which are not quantifiable:
 - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - (ii) gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Company for the Quarter and Nine Months ended December 31, 2015.

Adviser

5. We draw attention to the following matters/ notes to the Statement:

- (a) Notes 2.1 in respect of the financial irregularities in the erstwhile Satyam relating to prior years identified consequent to the letter dated January 7, 2009 of the then Chairman of erstwhile Satyam, various regulators/investigating agencies initiated their investigations and legal proceedings, which are ongoing.
- (b) Note 2.2 in respect of the non-compliances/breaches in the erstwhile Satyam relating to certain provisions of the Companies Act, 1956, certain employee stock option guidelines issued by the Securities Exchange Board of India and certain matters under the provisions of FEMA, observed in the prior years under its erstwhile management (prior to the appointment of Government nominated Board).
- (c) Note 2.3 in respect of appeals against the Order of the Hon'ble High Court of Andhra Pradesh approving the Scheme of merger filed by 37 companies before the Division Bench of the Honorable High Court of Andhra Pradesh. No interim orders have been passed and the appeals are yet to be heard.
- (d) Note 2.4 in respect of provision for taxation for several prior years accounted by the erstwhile Satyam aggregating Rs. 49892 Lakhs (net of taxes paid) as at March 31, 2013 (before giving effect to its amalgamation with the Company) for which the assessments are under dispute. Subsequent to the amalgamation, considering the professional advice obtained in the matter, the Company's Management has re-evaluated the effects of the possible outcomes of the tax matters in dispute relating to erstwhile Satyam and the estimated excess tax provision amounting to Rs. 22660 Lakhs has been written back during the year ended March 31, 2014. The Company's Management is of the view that the balance provision for taxation carried in the books in respect of the above is adequate.

The Company's Management is of the view that the above investigations/ proceedings would not result in any additional material provisions/write-offs/adjustments (other than those already provided for/written-off or disclosed) in the financial statements of the Company. However, any further adjustments, as may be required in the financial statements of the Company would be made as and when any further outcomes of the above matters are concluded.

Our opinion is not modified in respect of these matters.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



A.B Jani
Partner

(Membership No. 46488)

Place: Mumbai
Date: February 1, 2016