Tech Mahindra Q2’22 Revenues up 16.4%

Technology

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Profit after Tax up 26.0%

Pune – October 25th, 2021: Tech Mahindra Ltd., a specialist in digital transformation, consulting and business reengineering services today announced the audited consolidated financial results for its quarter ended September 30, 2021.

Financial highlights for the quarter (USD)

- Revenue at USD 1472.6 mn; up 6.4% QoQ and 16.4% YoY
    - Revenue growth at 7.2% QoQ in constant currency terms
- EBITDA at USD 269.8 mn; up 6.1% QoQ, up 17.2% YoY
    - Margins at 18.3%
- Profit after tax (PAT) at USD 181.0 mn; down 1.2% QoQ and up 26.0% YoY
- Free cash flow at $ 187.9 mn, conversion to PAT at 103.8%

Financial highlights for the quarter (₹)

- Revenue at ₹10,881 crores; up 6.7% QoQ and 16.1% YoY
- EBITDA at ₹1,995 crores; up 6.3% QoQ, up 17.2% YoY
- Consolidated PAT at ₹1,339 crores; down 1.1% QoQ and up 25.8% YoY
- The Board has proposed a special dividend of ₹15/- per share (300%)

Other Highlights

- Total headcount at 141,193, up 14,930 QoQ
- Cash and Cash Equivalent at USD 1626 mn as of September 30, 2021

CP Gurnani, Managing Director & Chief Executive Officer, Tech Mahindra, said, *"As we record our highest sequential growth in a decade, we remain committed to deliver long-term sustainable and profitable growth for the company. We have witnessed strong traction across all key markets as we invest in our digital capabilities through strategic partnerships. We continue to accelerate our clients' digital journey by creating Human Centric Experiences, helping them gear up for tomorrow, today."*

Milind Kulkarni, Chief Financial Officer, Tech Mahindra, said, *"Our strong execution has ensured that we maintain our profitability margins while accelerating growth momentum. We remain committed on the operational excellence journey we have boarded, and continue to create value to shareholders through efficient capital return"*

Acquisitions

Tech Mahindra today announced the acquisition of Lodestone, a leading digital engineering quality assurance provider for new age digital companies. The acquisition will bolster Tech Mahindra's digital engineering capabilities to effectively utilise data strategy and address machine learning challenges.

The strategic announcement will further enhance Tech Mahindra's capability to provide end-to-end product quality assurance across hardware, software and data layers to strengthen the company's positioning as a leading digital transformation enabler in the engineering space.

Vivek Agarwal, President – BFSI, HLS and Corporate Development, Tech Mahindra, said, *The acquisition of Lodestone is in line with our strategy to strengthen digital capabilities and provide enhanced and comprehensive transformation services to our customers globally. This will bring significant synergies to complement our domain expertise and will help drive growth going forward. We welcome Lodestone's associates into the Tech Mahindra family.*

Key Wins

- Tech Mahindra has won a multi-year strategic deal with a fortune 500 company in personal care for transforming its global applications and digitising the core.
- Selected by an Asian technology company for multi pillar deal scope which includes managed services, IT stack refresh, adoption of new age architecture and business process re-engineering.
- Tech Mahindra has won a deal with one of the largest Electricity Distribution Utility Corporation in Asia for implementation and support

of a large Customer Information System.

- Engaged by a telecommunications company based in Germany for consolidation and transformation of legacy systems.
- Awarded a deal by a global automotive OEM for engineering services for vehicle modification engineering FOT, data collection, data center, data management, simulation & ALM.
- Tech Mahindra has been chosen by a US telco to be a part of its transformation journey to provide modernisation and cloud migration services for its targeted applications.
- Won a strategic deal with an Asian-based leading food management & policy maker, scope of which includes implementing, integrating and managing end to end SAP S/4HANA application, data management and data integration
- Won a deal with leading global ports & logistics operator headquartered in Middle East for implementation support and global application rollouts.
- Tech Mahindra has been engaged by one of the largest railroad companies in North America to provide mobility managed services.
- Tech Mahindra has been chosen by a fortune 4 organisation in the Healthcare & retail space to design, build & transform Virtual Apps & Desktops platform in Cloud.

Business Highlights

- Tech Mahindra has partnered with StaTwig, a Singapore & Hyderabad based digital supply chain solution provider to Implement 'VaccineLedger' – Blockchain-based traceability solution for global vaccine supply chain to predict and prevent failures in supply chains, including problems related to expired vaccines, stock out and

counterfeiting

- Announced MSSP (Managed Security Services Provider) partnerships with California-based Palo Alto Networks, a global leader in cybersecurity. As a part of this partnership, Tech Mahindra is working towards creation of specialised Industry solutions and IP, leveraging the best of breed Palo Alto Networks solutions covering all major security solutions towers.
- Tech Mahindra announces a 'Cloud Advisory Board' with 30 Enterprises and Industry Advisors. The Advisory board will work on accelerating cloud transformation and build robust roadmap for business agility and competitive edge for enterprises.
- Tech Mahindra has expanded its collaboration with Microsoft to strengthen hybrid cloud capabilities. The collaboration aims to leverage Microsoft Azure Stack HCI, a new Hyper Converged Infrastructure (HCI) solution to accelerate hybrid cloud transformation, consolidate virtualised workloads and build enterprise resilience.
- Tech Mahindra has launched a dedicated Google Cloud Business Unit to accelerate cloud adoption for enterprises globally.
- Tech Mahindra has achieved AWS Level 1 Managed Security Service Provider (MSSP) competency status covering all six cybersecurity cloud domains.
- Tech Mahindra has partnered with Loughborough University, the world's best university for sport, to drive innovation in the sports industry via adoption of emerging next-generation technologies.
- Tech Mahindra and Cybersecurity Centre of Excellence, Data Security Council of India collaborate to drive cyber security innovation ecosystem in India.

Awards and Recognitions

- Tech Mahindra has been named a Leader once more, making it our third time in a row, in 2021 Gartner® Magic Quadrant™ for IT Services for Communications Service Providers, Worldwide.
- Tech Mahindra has won five 2021 ISG digital case study awards™.
- Tech Mahindra has been named as a leader in managed security services (MSS) for the midmarket in the 2021 ISG Provider Lens™ Cybersecurity Solutions & Services Quadrant Report in both the U.K. and the United States.
- Tech Mahindra has been recognised among the top 15 companies for Sustainability and CSR in Futurescape 8th Sustainability Index.
- Tech Mahindra Named a Leader in Everest Group PEAK Matrix Assessment for Software Product Engineering Services 2021.
- Tech Mahindra has been listed among 2021 Best Workplaces in Asia by Great Place to Work®.
- TechM has been recognised as a 2020 Bombardier Diamond Supplier.
- Tech Mahindra's CEO and MD, CP Gurnani has been recognised as an 'Influential Leader of New India' by CNN News18 and Team Marksmen
- Tech Mahindra has been ranked 14 on Responsible Business Ranking by The Economic Times.
- Felicitation as Leaders of Sustainable Change at ET SDGs Summit for our initiatives in the Sustainable Space.
- Received rotary CSR Awards 2021 in the Community Development Category for Exemplary Work with Sustainable Impact.
- Tech Mahindra has won the CSR Universe 'COVID Response' CSR Impact Awards 2021 in Skill Development and Livelihood Category.
- TMF has own-

- 5th CSR Health Impact Awards (Silver Category) for our Health Campaign.
- 5th CSR Health Impact Awards (Bronze Category) for our COVID Relief Program.

About Tech Mahindra

Tech Mahindra offers innovative and customer-centric digital experiences, enabling enterprises, associates and society to Rise. We are a USD 5.2 billion organisation with 121,900+ professionals across 90 countries, helping 997 global customers, including Fortune 500 companies. We are focused on leveraging next-generation technologies, including 5G, Blockchain, Cybersecurity, Artificial Intelligence, and more, to enable end to end digital transformation for global customers. Tech Mahindra is one of the fastest-growing brands and amongst the top 15 IT service providers globally. Tech Mahindra has consistently emerged as a leader in sustainability and is recognised amongst the '2021 Global 100 Most sustainable corporations in the World' by Corporate Knights. With the NXT.NOW framework, Tech Mahindra aims to enhance 'Human Centric Experience' for our ecosystem and drive collaborative disruption with synergies from a robust portfolio of companies. We aim at delivering tomorrow's experiences today and believe that the 'Future is Now'.

We are part of the Mahindra Group, a USD 19.4 billion federation of companies that enables people to rise through innovative mobility solutions,

driving rural prosperity, enhancing urban living, nurturing new businesses and fostering communities. It enjoys a leadership position in utility vehicles, information technology, financial services and vacation ownership in India and is the world's largest tractor company by volume. It also enjoys a strong presence in renewable energy, agribusiness, logistics and real estate development. Headquartered in India, Mahindra employs over 2,56,000 people across 100 countries.

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For Further Queries:

Kaustubh Vaidya

Head – Investor Relations

Phone: +91 98208 91860

Email:kaustubh.vaidya@techmahindra.com

Abhilasha Gupta

Head - Corporate Communications & Public Affairs

Phone: +91 97179 46080

Email:Abhilasha.Gupta@TechMahindra.com

Kavya Bagga

Investor Relations

Phone: +91 70660 07951

Email: kavya.bagga@techmahindra.com

Kanika Vats

Corporate Communications & Public Affairs:

Phone: +91 98993 21495

Email:kanika.vats@techmahindra.com

Disclaimer

Certain statements in this release concerning the future prospects of Tech Mahindra Limited ("the Company" or "TechM") are forward-looking statements. These statements b y their nature involve risks and uncertainties that could cause Company's actual results differ materially from such forward-looking statements. The Company, from time to time, makes written and oral forward-looking statements based on information available with the management of the Company and the Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

Audited consolidated financial for the first quarter ended Sep 30, 2021 drawn under Ind AS

Tags :

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