



Tech Mahindra Limited					
Audited Financial Results for the Quarter and Half Year Ended 30th September 2006					
Particulars	Rs. In Million				
	Quarter ended 30th September		Half Year ended 30th September		Year ended 31st March
	2006	2005	2006	2005	2006
1 Income from Operations	6,414	2,448	11,941	4,856	11,971
2 Other Income	64	125	103	160	313
3 Total Income	6,478	2,573	12,044	5,016	12,284
Personnel Cost	2,068	1,105	3,873	2,170	4,676
Travelling Expenses	805	365	1,370	620	1,502
Operating and other expenses	1,955	612	3,937	1,278	3,326
4 Total Expenditure	4,828	2,082	9,180	4,068	9,504
5 Profit before Interest, Depreciation and Tax	1,650	491	2,864	948	2,780
6 Interest	-	-	-	-	-
7 Depreciation	100	91	195	180	374
8 Profit before Tax	1,550	400	2,669	768	2,406
9 Provision for Taxation	139	35	255	76	205
10 Profit after Tax	1,411	365	2,414	692	2,201
11 Excess Tax provision of earlier years	339	-	339	-	-
12 Profit available for appropriation	1,750	365	2,753	692	2,201
13 Paid-up Equity Share Capital	1,159	208	1,159	208	208
14 Reserves excluding revaluation reserve	9,218	5,369	9,218	5,369	5,771
15 Earnings Per Share (Rs.) :					
- Basic	15.50	3.55	24.37	6.73	21.17
- Diluted	13.63	3.08	21.44	5.85	17.13
16 Aggregate of Non Promoter Shareholding					
- Number of shares	14,447,240	1,302,790	14,447,240	1,302,790	1,456,190
- Percentage of shareholding	12.47%	1.16%	12.47%	1.16%	1.30%

Segmentwise Revenue, Results and Capital Employed					
Rs in Million					
Particulars	Quarter ended 30th September		Half Year ended 30th September		Year ended 31st March
	2006	2005	2006	2005	2006
	<b>1 Segment Revenue</b>				
a) Telecom Service Provider	6,140	2,302	11,493	4,582	11,294
b) Telecom Equipment Manufacturer	110	67	173	119	292
c) Others	164	79	275	155	385
<b>Total</b>	<b>6,414</b>	<b>2,448</b>	<b>11,941</b>	<b>4,856</b>	<b>11,971</b>
Less : Inter Segment Revenue	-	-	-	-	-
<b>Net Sales/Income from Operations</b>	<b>6,414</b>	<b>2,448</b>	<b>11,941</b>	<b>4,856</b>	<b>11,971</b>
<b>2 Segment Profit before tax , interest and depreciation</b>					
a) Telecom Service Provider	2,486	994	4,336	2,081	4,586
b) Telecom Equipment Manufacturer	26	18	36	27	36
c) Others	43	29	64	54	111
<b>Total</b>	<b>2,555</b>	<b>1,041</b>	<b>4,436</b>	<b>2,162</b>	<b>4,733</b>
Less:					
(i) Interest	-	-	-	-	-
(ii) Other un-allocation expenditure Net off un-allocable income	1,005	641	1,767	1,394	2,327
<b>Total Profit before Tax</b>	<b>1,550</b>	<b>400</b>	<b>2,669</b>	<b>768</b>	<b>2,406</b>

**Notes :**

**Primary Segments**

The Primary Segment of the Company is business segment by category of customers in the Telecom Service Provider & Telecom Equipment Manufacturer sectors.

**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.

**Tech Mahindra Limited**  
**Consolidated Financial Results for the Quarter and Half Year Ended 30th September 2006**

Particulars	Rs. In Million				
	Quarter ended 30th September (Unaudited)		Half Year ended 30th September (Unaudited)		Year ended 31st March (Audited)
	2006	2005	2006	2005	2006
1 Income from Operations	6,977	2,469	12,848	4,888	12,427
2 Other Income	69	108	110	143	340
3 Total Income	7,046	2,576	12,958	5,032	12,767
Personnel Cost	2,770	1,208	5,094	2,409	5,624
Travelling Expenses	843	418	1,512	732	1,816
Operating and other expenses	1,720	443	3,321	909	2,308
4 Total Expenditure	5,333	2,069	9,927	4,050	9,748
5 Profit before Interest, Depreciation and Tax	1,713	508	3,031	981	3,019
6 Interest	-	-	-	-	-
7 Depreciation	113	93	221	184	397
8 Profit before Tax	1,600	414	2,810	797	2,621
9 Provision for Taxation	169	40	313	86	268
10 Profit after Tax before minority interest and prior period items	1,431	374	2,497	712	2,354
11 Excess Tax provision of earlier years	339	-	339	-	-
12 Minority Interest	0	-	0	-	0
13 Profit after Tax, Minority interest and prior period items	1,771	374	2,836	712	2,354
14 Paid-up Equity Share Capital	1,159	208	1,159	208	208
15 Reserves excluding revaluation reserve	9,466	5,319	9,466	5,319	5,946
16 Earnings Per Share (Rs.) :					
- Basic	15.67	3.60	25.11	6.85	22.63
- Diluted	13.79	3.01	22.08	5.74	18.32
17 Aggregate of Non Promoter Shareholding -					
- Number of shares	14,447,240	1,302,790	14,447,240	1,302,790	1,456,190
- Percentage of shareholding	12.47%	1.16%	12.47%	1.16%	1.30%

**NOTES :-**

- The quarterly results have been taken on records by the Board of Directors in its meeting held on 18th October 2006.
- During the quarter, the Company issued and allotted 3,186,480 equity shares of Rs 10 each at a premium of Rs 355 per equity share, under the Initial Public Offering (IPO) of the Company. The IPO also contained an Offer for Sale of 9,559,520 shares of Rs 10 each by the Promoters.
- Expenses of Rs 52 mn relating to IPO have been charged to profit and loss account, during the quarter.
- The company received a refund of Rs 321 Mn from UK Tax authorities on completion of tax assessments for the year ended March 2002, March 2003 and March 2004 and has written back the tax provision no longer required. An interest of Rs 37 mn on the above refund is included in Other income.
- The Consolidated results are compiled from the audited results of Tech Mahindra Ltd & its Wholly owned subsidiary in USA and India and unaudited results ( subject to Limited Review ) for its subsidiaries in Germany, Singapore, Indonesia and Thailand.
- Company has acquired 99.90% shareholding of Axes Technologies Private Limited, now renamed as Tech Mahindra (R&D Services) Limited, on 28th November '05 and the results include results of TMR&D and its Subsidiaries from that date.
- Information on investor complaints pursuant to clause 41 of the Listing Agreement for the quarter ended 30th September 2006

	Opening Balance	Additions	Disposal	Closing Balance
Nature of Investor complaints				
Allotment/Refund/Transfer/Others	NIL	830	830	NIL

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

**Date: 18th October, 2006**

**Vineet Nayyar**

**Vice Chairman & MD**