



Consolidated Revenues at Rs 37,661 million for the year, up 29% over previous year

Consolidated Profit after Tax* Rs 7,695 million for the year, up 26% over previous year

* before exceptional items

Audited Financial Results for the Quarter and Year ended March 31, 2008				
Particulars	Rs. In Million			
	Quarter ended 31st March		Year ended 31st March	
	2008	2007	2008	2007
1 Income from Operations	9,907	8,467	36,047	27,577
2 Other Income	341	102	976	9
3 Total Income	10,248	8,569	37,023	27,586
Personnel Cost	3,199	2,372	12,224	8,445
Travelling Expenses	1,438	1,015	4,845	3,273
Operating and other expenses	3,052	2,792	10,771	8,819
4 Total Expenditure	7,689	6,179	27,840	20,537
5 Profit before Interest, Depreciation and Tax	2,559	2,390	9,183	7,049
6 Interest	10	56	100	69
7 Depreciation	212	143	736	463
8 Profit before Tax and Exceptional items	2,337	2,191	8,347	6,517
9 Provision for Taxation	171	156	689	615
10 Profit After Tax and Before Exceptional Items	2,166	2,035	7,658	5,902
11 Exceptional Items	(4,401)	(5,250)	(4,401)	(5,250)
12 Profit after Tax	(2,235)	(3,215)	3,257	652
13 Excess Tax provision of earlier years	165	-	165	339
14 Profit available for appropriation	(2,070)	(3,215)	3,422	991
15 Paid-up Equity Share Capital	1,214	1,212	1,214	1,212
16 Reserves excluding revaluation reserve	10,219	7,568	10,219	7,568
17 Earnings Per Share (Rs.): (Not Annualized) Before Exceptional Items				
- Basic	19.22	17.68	64.49	54.24
- Diluted	17.83	15.60	59.84	47.84
18 Earnings Per Share (Rs.): (Not Annualized) After Exceptional Items				
- Basic	(17.07)	(27.94)	28.21	8.62
- Diluted	(15.84)	(24.64)	26.17	7.60
19 Aggregate of Non Promoter Shareholding				
- Number of shares	19,938,056	19,791,888	19,938,056	19,791,888
- Percentage of shareholding	16.43%	16.33%	16.43%	16.33%

Segmentwise Revenue, Results and Capital Employed				
Particulars	Rs. In Million			
	Quarter ended 31st March		Year ended 31st March	
	2008	2007	2008	2007
1 Segment Revenue				
a) Telecom Service Provider	9,017	7,920	32,892	26,183
b) Telecom Equipment Manufacturer	235	252	1,060	600
c) BPO	480	101	1,297	141
d) Others	175	194	798	653
Total	9,907	8,467	36,047	27,577
Less: Inter Segment Revenue	-	-	-	-
Net Sales/Income from Operations	9,907	8,467	36,047	27,577
2 Segment Profit before tax, interest and depreciation				
a) Telecom Service Provider	3,167	3,375	11,973	10,386
b) Telecom Equipment Manufacturer	42	25	230	117
c) BPO	173	1	490	(15)
d) Others	46	24	242	170
Total	3,428	3,425	12,935	10,658
Less:				
(i) Interest	10	56	100	69
(ii) Other un-allocable expenditure	1,081	1,178	4,488	4,072
Net off un-allocable income				
Profit before Tax and Exceptional items	2,337	2,191	8,347	6,517
Provision for tax	171	156	689	615
Profit after Tax and before Exceptional Items	2,166	2,035	7,658	5,902
Exceptional Items	(4,401)	(5,250)	(4,401)	(5,250)
Excess Tax provision of earlier years	165	-	165	339
Net Profit	(2,070)	(3,215)	3,422	991

Notes :

Primary Segments

The Primary Segment of the Company is business segment by category of customers in the Telecom Service Provider, Telecom Equipment Manufacturer and Business Process Outsourcing.

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.

Consolidated Audited Financial Results for the Quarter and Year ended March 31, 2008				
Particulars	Rs. In Million			
	Quarter ended 31st March		Year ended 31st March	
	2008	2007	2008	2007
1 Total Income	10,582	8,899	38,705	29,350
2 Profit After Tax and Before Exceptional Items and Prior period items	2,188	1,961	7,695	6,127
3 Exceptional Items	(4,401)	(5,250)	(4,401)	(5,250)
4 Profit after Tax	(2,214)	(3,290)	3,299	876
5 Excess Tax provision of earlier years	-	-	-	339
6 Profit after Tax, Minority interest and prior period items	(2,214)	(3,290)	3,299	1,215
7 Earnings Per Share (Rs.): (Not Annualized) Before Exceptional Items				
- Basic	18.03	17.03	63.49	56.18
- Diluted	16.73	15.03	58.91	49.56
8 Earnings Per Share (Rs.): (Not Annualized) After Exceptional Items				
- Basic	(18.25)	(28.59)	27.20	10.56
- Diluted	(16.94)	(25.22)	25.24	9.32

NOTES :

- The quarterly and yearly results have been taken on records by the Board of Directors in its meeting held on 19th May 2008.
- The Board of Directors have recommended a final dividend of 55% (Rs. 5.5 per share on par value of Rs. 10/-).
- Effective 1st April 2007, the Company has designated the outstanding forward exchange contracts as cash flow hedges. Changes in fair value of effective forward exchange contracts are recognized directly in Reserves and ineffective portion is recognized immediately in Profit and Loss Account. Consequent to this change in accounting for such contracts, the profit for the year ended March 31, 2008 is lower by Rs. 851 million and Reserves and Surplus are higher by Rs. 851 million.
- During the year the company has entered into an agreement with a customer under which it will have exclusivity for 90 days in negotiating an engagement. As per the terms of the agreement the company has made an exclusivity payment of Rs. 4,401 mn to the customer which is unconditional, irrevocable and non-refundable. Accordingly, this payment has been disclosed as an exceptional item in the Profit and Loss account. The project will be executed with a consortium partner who will bear part of the exclusivity payment. This payment from the consortium partner will be accounted when it is contractually firm up.
- The board of the Company (TML) has approved Scheme of amalgamation for amalgamating Tech Mahindra (R & D Services) Limited and iPolicy Networks Limited, its wholly owned subsidiary companies with itself, in its meeting dated October 19, 2007. As per the Scheme, all the assets and liabilities of both the Transferor Companies would become the assets and liabilities of TML from the appointed date Viz., April 1, 2008. The jurisdictional High Courts of Mumbai, Delhi & Karnataka have approved the schemes on March 28, 2008, April 04, 2008 and April 03, 2008 respectively. The mergers would result in operational synergies, enhance financial strength and rationalization of costs.
- The Company had made provision in the year ended March 31, 2005, to the extent of accumulated losses in wholly owned subsidiary, Tech Mahindra (Americas) Inc (TMA) aggregating to Rs. 12 Million towards diminution in the value of investments and Rs. 153 Million towards debts recoverable from TMA. The subsidiary has become profitable from FY2006-07 and its net worth has become positive. Similarly debts recoverable from TMA have been reduced substantially to Rs. 26 Million. TMA has growth plans and is expected to earn profits in subsequent years as well. In view of this the provisions made earlier are no longer required and accordingly the Company has reversed the provision of Rs. 165 Million made earlier and the same has been disclosed as a provision in respect of earlier year written back in Profit and Loss Account. However, there is no impact on the consolidated results of the Company.
- Information on investor complaints pursuant to clause 41 of the Listing Agreement for the quarter ended 31st March 2008

Nature of Investor complaints	Opening Balance	Additions	Disposal	Closing Balance
Allotment/Refund/Transfer/Others	NIL	32	32	NIL

8 IPO Funds Utilization Statement

Rs. In Million

Year	Projections	Actual
Fiscal 2007	842.1	281.4
Fiscal 2008	268.9	829.6
Total	1,111.0	1,111.0

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

Date: 19th May, 2008

Vineet Nayyar
Vice Chairman & MD