

**TATA TELESERVICES (MAHARASHTRA) LIMITED**

Regd. Office: Voltas Premises, T B Kadam Marg, Chinchpokli, Mumbai - 400 033

Rs. in Crores

**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2008**

Sr. No.	Particulars	Nine Months Ended December 31,		Quarter Ended March 31,		Year Ended March 31,	
		2007	2008	2007	2008	2007	2008
		(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
1	Net Sales/Income from Telecommunication services	1,251.47	455.72	380.43	1,707.19	1,406.98	
2	Other income (See note 2)	46.94	35.47	10.36	82.41	17.44	
3	<b>Total Income (1+2)</b>	<b>1,298.41</b>	<b>491.19</b>	<b>390.79</b>	<b>1,789.60</b>	<b>1,424.42</b>	
4	Expenditure						
	a. Network operations costs	205.45	82.53	64.26	287.98	243.66	
	b. Interconnect and other access costs	320.19	116.38	102.53	436.57	394.86	
	c. Employees cost	69.45	24.18	24.90	93.63	71.00	
	d. Administration and other expenses	136.57	47.58	40.87	184.15	175.35	
	e. Marketing and business promotion expenses (Net)	231.53	70.19	61.58	301.72	236.95	
	f. Depreciation(Net)	321.53	117.82	104.48	439.35	446.23	
	g.Total (a+b+c+d+e+f)	<b>1,284.72</b>	<b>458.68</b>	<b>398.62</b>	<b>1,743.40</b>	<b>1,568.05</b>	
5	Interest (See note 3)	118.22	52.79	43.50	171.01	171.76	
6	Exceptional Items	-	-	-	-	-	
7	<b>Loss from Ordinary Activities before tax (3-4-5-6)</b>	<b>(104.53)</b>	<b>(20.28)</b>	<b>(51.33)</b>	<b>(124.81)</b>	<b>(315.39)</b>	
8	Tax expense						
	- For income tax (See note 4)	-	-	-	-	-	
	- For fringe benefit tax	0.62	0.31	0.05	0.93	0.70	
9	<b>Net Loss from Ordinary Activities after tax (7-8)</b>	<b>(105.15)</b>	<b>(20.59)</b>	<b>(51.38)</b>	<b>(125.74)</b>	<b>(316.09)</b>	
10	Extraordinary items (Net of tax expense Rs.NIL)	-	-	(5.48)	-	(5.48)	
11	<b>Net Loss for the period (9-10)</b>	<b>(105.15)</b>	<b>(20.59)</b>	<b>(45.90)</b>	<b>(125.74)</b>	<b>(310.61)</b>	
12	Paid up equity share capital (Face value Rs. 10/- per share) (See note 5 & 6)	1,893.25	1,893.56	1,809.50	1,893.56	1,809.50	
13	Reserves excluding revaluation reserves	-	-	-	(2,670.32)	(2,130.71)	
14	Earnings Per Share (EPS)						
	a) Basic and diluted EPS before Extraordinary items.						
	- Basic	(0.57)	(0.11)	(0.29)	(0.68)	(1.97)	
	- Diluted	(0.60)	(0.11)	(0.29)	(0.70)	(1.97)	
	b) Basic and diluted EPS after Extraordinary items.						
	- Basic	(0.57)	(0.11)	(0.32)	(0.68)	(1.94)	
	- Diluted	(0.60)	(0.11)	(0.32)	(0.70)	(1.94)	
15	Public Shareholdings						
	- Number of shares	647,987,067	648,224,325	564,237,333	648,224,325	564,237,333	
	- Percentage of shareholdings	34.23	34.23	31.18	34.23	31.18	
<b>Subscribers information as on</b>		December 31,			March 31,	March 31,	
		2007			2008	2007	
(Nos. in thousands - unaudited)		4,696			5,079	3,074	

Notes:

- Earning Before Interest, Depreciation, Extraordinary item and Tax (EBITDA) for the quarter / year ended March 31, 2008 is Rs.150.33 Crores/ Rs.485.55 Crores as compared to Rs.96.65 Crores / Rs.302.60 Crores for the corresponding quarter / year ended March 31, 2007.
- Other Income for the quarter ended March 31, 2008 includes Rs.31.78 Crores (corresponding quarter ended March 31, 2007 Rs. 4.82 crores) in respect of amounts pertaining to the previous quarters of the financial year ended March 31, 2008. Other Income for the quarter / year ended March 31, 2008 also includes Nil / Rs.12.93 Crores (corresponding quarter and year ended March 31, 2007 Rs. Nil) in respect of excess provision of earlier years written back.
- Interest charges are disclosed on net basis. Interest and other income earned from treasury operations are reduced from the costs of treasury operations. Interest charges also include amounts on account of foreign exchange fluctuations. Exchange fluctuations for the quarter/year ended March 31 2008 include amounts aggregating to Rs.3.69 Crores / Rs.10.24 Crores (gain) in relation to borrowings/liabilities on account of acquisition of fixed assets, accounted in accordance with the Accounting Standard 11 on "The Effects of changes in Foreign Exchange Rates" notified under The Companies (Accounting Standards) Rules, 2006.
- No provision for current income tax has been made in the accounts, since the Company estimates that there will be no taxable profits for the year. Deferred Tax charges / credits have not been recognized in view of the tax holiday enjoyed by the Company and on considerations of prudence as set out in Accounting Standard 22 on "Accounting for Taxes on Income".
- During the year ended March 31, 2008, Foreign Currency Convertible Bond (FCCB) holders holding Bonds of the value aggregating to \$ 46.35 million exercised their option to convert their holding to equity, thus resulting in an increase in the paid up equity share capital by Rs.84.05 Crores.
- During the quarter and year ended March 31, 2008, some employees exercised options issued under the Employee Stock Option Plan resulting in allotment of 18,050 fully paid equity shares for cash at par amounting to Rs.1,80,500 .
- Previous year / period figures have been regrouped / reclassified wherever necessary.
- The Company is engaged in the business of providing Telecommunication Services under Unified Access Licence. These, in the context of Accounting Standard 17 on "Segment Reporting", are considered to constitute a single primary business segment.
- There was no investor complaint pending at the beginning of the quarter. 59 complaints were received during the quarter and 1 complaint was pending as on March 31, 2008 which has since been resolved.
- The above financial results have been reviewed by the Audit Committee of the Board of Directors and approved by the Board of Directors of the Company at its meeting held on May 20, 2008.

For and on behalf of the Board

Mumbai  
Date: May 20, 2008

Dr. Mukund Rajan  
Managing Director