



Moderator

Good evening ladies and gentlemen. I am Suresh, the moderator for this conference. Welcome to the Tech Mahindra conference call. For the duration of the presentation, all participants' lines will be in the listen-only mode. After the presentation, the question and answer session will be conducted for participants connected to SingTel. After that, there would be a Q&A session for participants connected to WebEx International Center. And after that we will have a Q&A session for WebEx India participants. I would like to hand over to Mr. Manoj Bhat. Thank you and over to you sir.

Manoj Bhat

Thank you Suresh. Hi! I am Manoj Bhat from Tech Mahindra. I have with me here Mr. Vineet Nayyar and other senior members of the management team and we would like to talk about our quarter results, and with this I would request Mr. Nayyar to take the floor.

Vineet Nayyar

Good evening, good afternoon or good morning. We are pleased to announce the quarterly results for the current quarter. Looking back, I think it has been a good quarter and a great year. Year-on-year our revenues went up from around \$130 million to about \$211 million which was a growth of 63%. Earnings went up from around \$23 million to about \$41 million which was a growth of 75%. So if we look at it on a year basis I think we have done well, in fact I do believe we have outperformed the industry by a large measure.

Given the current macro-economic climate I do believe that our quarterly are also satisfactory. Our revenues have gone up by about 6.7% to \$111 million and our earnings have come down from about \$44 million to about \$41 million.

Growth of our client base has been satisfactory. We have grown in the last quarter from 83 clients to 87 clients, even more importantly our \$15 million clients have increased by one and the \$25 million clients have increased by one also in this quarter. This demonstrates our ability clearly to manage relationship of scale.

Our results in rupee terms are not as impressive largely due to appreciation of the rupee and much talked about double whammy of wage increase. Clearly our somewhat muted growth in this quarter is a result of large number of macro-economic factors which you are all aware of – appreciation of rupee, increase in terms of wages, which in our case was about 15%, and given these adverse macro-economic factors I think we have managed it well. What does it mean in terms of going forward I do believe and I am quite confident that the demand levels are going to grow and Tech Mahindra will continue to perform at par with the best in the industry.

Yes there are issues, there are issues about containing wage inflation, there are issues in regards to currency management and while we cannot change the currency equations globally we can protect ourselves somewhat or at least temporarily through hedges, which we are doing. In the long term I presume we will have to look at our wage policies and in the mean time to assess in containing the erosion in margins we will have to increase our productivity. Current quarter the utilization was close to 70%, I think this will have to go up till 78-80%, I think we are quite capable of performing at this level, in fact last year we were at 75-76% utilization.

In addition I suspect the billing rates will need to go up and we will given competitive pressures do our best in the coming few months to increase our billing rates. All in all we are quite satisfied by the results. We still believe Tech Mahindra has a great future. We still believe that we are outperforming all the folks in the IT industry and we will continue to do well. Now I once again want to thank you for joining us and we would be happy, I and my colleagues here would be happy to answer any or all of the questions you ask.

Manoj Bhat

Suresh, if you would like to invite questions?

Moderator

Thank you very much sir. At this moment, I would like to handover the proceedings to SingTel Moderator (Farida) to conduct the Q&A for participants connected to SingTel. Thank you and over to Farida.

SingTel Moderator

Thank you Suresh. We will now begin the Q&A session for participants connected to the SingTel bridge. Please press 01 to ask a question. Please press 01 to ask a question.

At this moment, there are no questions from SingTel. I would like to handover the proceedings to WebEx International Moderator (Laurie).

International Moderator

Thank you very much. At this time, international participants may press \*1 if they would like to ask a question. On pressing \*1, participants will get a chance to present their questions on a first-in-line basis. Your first question comes from the line of Joseph Foresi of Jenny Montgomery Scott.

Joseph Foresi

Hi guys. I was wondering if you guys could talk a little bit more about the demand back drop and may be some of the emerging businesses that you might be going after.

Vineet Nayar

I will ask Sanjay Kalra my colleague to answer this question.

Sanjay Kalra

I think if you look at the overall telecom environment of the entire ecosystem, there are two things happening. The service provider segment we are beginning and we are continuing to see strong demand, although we are also noticing that there is a sense of maturity coming in the way they are outsourcing, and what I think in the telecom space they are beginning to differentiate between pure horizontal offshore services and some that come in with more of managed services or a business model or a domain specific solution. On the equipment manufacturing side, we are now beginning to see that they are through with their consolidation. It continues to be challenging times for them and if you looked at the last year it was challenging times on their numbers as many of them were mergers and acquisitions and consolidation. I think times are still challenging but at least the second challenge that they are in working on internal dynamics seems to be getting over and we are beginning to see more demand, more enquiries, more RFPs coming out of the equipment manufacturing segment. I think we will see demand to be continue to be strong on the back of these parameters we are watching in the service provider and the equipment manufacturing segment.

Joseph Foresi

Okay, any thoughts of moving into different verticals or different offerings, any areas of growth that you see perhaps developing there?

Vineet Nayar

I think there is fair amount of potential in the telecom space and the definition of telecom space is expanding everyday. This is a USP and we intend to adhere to this.

Joseph Foresi

Just one more question I guess on the rupee side, I am sure you probably may be tired on at this point, but on the billing rates do you have some sense of what percentage you can get as an increase by going back to the clients and have clients been receptive to perhaps talking about changing the contracts given the rupee movement?

Vineet Nayyar

Well we have gone through phases, I mean there was a time when they were saying reduce your rates, reduce your rates, that stopped at the end of or middle of last year. We did see some increases done last year. We are pushing for further increases, and I do believe that they will be possible and in return the suppliers are asking us to show greater productivity gains and go in for more fixed price contracts. So, this is the area we are getting into, we are agreeing to certain productivity gains subject to their increasing the billing rates and we are also increasingly looking at fixed price contracts where really the onus is on us to determine how the profitability will turn out.

Joseph Foresi

Okay, and my last question here, has the focus changed now given that the rupee has moved up from operating margins to net margins, is really the focus now to sort of maintain that net margin? Thanks guys.

Sonjoy Anand

Sorry, I didn't quite catch your question, could you please repeat yourself?

Joseph Foresi

Yeah, I was talking about the focus, you know some of the larger vendors have said that you know look this might be the impact on operating margin we are going to try and maintain our net margins. Is that the same case with Tech Mahindra?

Sonjoy Anand

I think you know there are different factors which effect operating margin and different factors which effect net margin clearly. In terms of operating margins if you look at this quarter the negative for us were the salary hike and the rupee appreciation, partly compensated by the SG&A leverage and productivity gains and improved mix of business. In terms of the impact on the net margin, one important thing which I would like to mention in our context is that we have moved to a cash flow hedge accounting policy this quarter and therefore on our forward cover marked to market gains of close to \$11 million have been taken to reserves and not to the P&L because we believe that these profits should be recognized in the quarter in which those hedges mature, so that is an important difference compared to some of the other results in our case.

Joseph Foresi

Okay, thanks guys.

International Moderator

Once again, if you would like to ask a question please press \*1 on your telephone keypad. At this moment there are no further questions from the participants at the international center. I would like to hand over the proceedings back to Suresh.

Moderator

Thank you Laurie. We will now begin the Q&A interactive session for India participants. Participants who wish to ask questions please press \*1 on your telephone keypad. On pressing \*1 participants will

get a chance to present their question on a first-in-line basis. Participants are requested to use only handsets while asking a question. To ask a question please press \*1 now. First in line is Mr. Pankaj Kapoor from ABN Amro.

Pankaj Kapoor

Hi sir. Just want to understand what is happening in the BT client space where we have our top client, we have seen a 2% quarter-on-quarter increased compared to double-digit growth that we saw in the last few quarters. So, what is your sense on this and how do you see the outlook going forward?

Vineet Nayyar

Pankaj, the way I look at it is that we have as you know had spectacular growth in BT over the last 2 years and there is always when you have such a run up there is always a breather taken, and as far as I can see this is a pause and not a halt, though I will ask my colleague Sanjay to amplify on it.

Sanjay Kalra

Hi Pankaj. I think as you are aware BT has gone through a very major restructuring in the last two quarters, and I think the pause is mainly a function of two things; the first being the fact that the last quarters were quite spectacular, and the second being that I think we are sort of consolidating some of our platforms and building more solid propositions which are encapsulating a lot things that we are already doing. Overall, I just see the trajectory returning to us winning more business.

Pankaj Kapoor

So it is like not that we are getting the mature kind of phase where you see more of this kind of a growth rather than what we have seen? You still think that there is more to be outsourced from BT, we can still come back to the early proceeds?

Vineet Nayyar

Again I am not allowed, you know how Manoj is, and I am not allowed to comment on the future, but if I look at the transformation at BT from which we have really benefited by partnering with them last 2-3 years, I think that transformation is far from complete. I expect the changes that they will look at us to participate at a higher level in terms of more value add, and fortunately for us we have developed ourselves a scale and competencies in that manner, so I feel pretty comfortable that if we continue going back with the right solutions they will continue engaging us.

Pankaj Kapoor

Fair enough, and just one question on the BT contract, I understand that the real flow of business we are expecting only in the third quarter and right now we are incurring the transition cost. Does it mean that what we are doing right now does not include any kind of revenue in flow and could you give some sense on what exactly we are doing right now?

Vineet Nayyar

Yeah, you are right, there is revenue in flow but it is negligible in the bigger frame of things, but there is progress and I definitely have progress to report because I know if this time I tell you J curve and come back to me Q3, you wouldn't be happy. So, as I told you last time there are teams on the ground who are talking to BT teams on the ground. So, I guess that case we are coming to the end of that phase where our transition transformational deals are on the ground, our organization structure offshore for infrastructure, BPO and software services is all ready with a leadership and the people ready to deploy. We have completed in the last one quarter about 25 discovery exercises, now it is an important metric today but you do understand that going forward it will become a way of like where every engagement in the transformation is a discovery exercise, and we are beginning to see visibility now. Again, I don't know if this qualifies as a futuristic statement or not but I think I am beginning to

see visibility at almost 700-800 positions that we have discovered in the transformation space which we will be able to affect in a way positive for Tech Mahindra. So, all I can say is that Q3 is now looking with reasonable amount of numbers a much bigger reality than I would comment on a quarter or two quarters ago.

Pankaj Kapoor

I think just one last quick question, any sense on how many people do we have on this contract as of now, in the transition phase?

Vineet Nayyar

As I said, the transition transformation team adds up to about 50 people and these are guys with varied backgrounds.

Pankaj Kapoor

Okay, fair enough. Thank you and all the best.

Vineet Nayyar

Thanks.

Moderator

Thank you very much sir. Next in line Mr. Manik Taneja from Man Financials.

Manik Taneja

Good evening sir, I had a couple of questions. First of all could you break down the impact of rupee and the salary hikes as well as the SG&A leverage and the productivity gains that we had on the operating margin front?

Sonjoy Anand

We don't break that into individual elements, so you know as I said earlier clearly salary hikes and the currency were negative and this has been partly compensated by the SG&A leverage and the productivity gains and the mix of business, the SG&A number of course is available on our fact sheet and you can see that there has been a 60 basis point improvement on SG&A.

Manik Taneja

Okay sir, and my second question was with regards to another question that was asked by a participant earlier to me, you said there could be a ramp up, you are seeing a lot of visibility on revenue from BTGS flowing in from Q3, so does that mean we could see a good ramp up on the employee front in Q2 and Q3?

Vineet Nayyar

On employees which way, it is basically what we have done is that concerned employees which we believe will be used have been hired, they are being trained, and they are waiting and as and when the work comes in they will start working on it, because we have to have the skilled manpower in place prior to securing the contract

Manik Taneja

Rather than seeing the ramp up on the employee front we would see utilization levels ramping up?

Vineet Nayyar

That is right, we do not at this moment intent to ramp up the employees, we wish to utilize, we will be utilizing let me say the people we have trained for this company.

Manik Taneja

Thank you.

Moderator

Thank you very much sir. Next in line Mr. Anurag Purohit from Religare Securities.

Anurag Purohit

Good evening gentlemen and congratulations on a good quarter. My question is regarding BTGS sale, it is a general question like what are the key challenges that we see now that we have started with the transformation phase going forward in the deal?

Vineet Nayyar

I think the challenges are it could almost be a primer on transformation, it is a normal thing, the people we are going in some of them will be replaced and they get worried, their skill sets that are pretty unique in the space and it was not normal for some of those skills to be transitioned offshore, that will be a challenge, but then these are not unusual challenges and the mitigation strategy is in place to overcome them.

Anurag Purohit

Does that mean that our onsite revenue and effort would go on increasing for a couple of quarters further?

Vineet Nayyar

Again, you know whenever there is a large offshore transition, the first phase of it is onsite, but again as I said I have had a transition transformation team sitting onsite of about 50 people, so that is what has already been put in site.

Anurag Purohit

And again, could you just give a breakup on the utilization between the BPO and the IT service, if possible?

Male speaker

You know we have about 2000 people on BPO, we are not sharing separate utilization numbers at this stage.

Anurag Purohit

Fair enough, thank you, all the best for future.

Male speaker

Thank you.

Moderator

Thank you very much sir. Next in line Mr. Ruchir Desai from Pioneer.

Ruchir Desai

Hi, good evening, and congrats on the results. I just had a few questions. This quarter how many are freshers and how many were laterals, if you could give that number?

Sonjoy Anand

I don't think we get into that detail.

Ruchir Desai

Sorry.

Sujit Baksi

Ruchir it is about 70% would be freshers roughly.

Ruchir Desai

And going forward for the next quarter or for the rest of the year what kind of head count addition are you planning, is it similar to what you had mentioned in the last quarter?

Sujit Baksi

I think as you would realize I mean our hiring plans are frozen well in advance, so we had mentioned that we would have current quarter as we speak, we would have about 2000 or 3000 plus trainees joining in, so that doesn't change, and apart from that we don't really talk about the future in terms of the hiring plan.

Ruchir Desai

Okay great, and just one last question, of the current head count added this quarter you mentioned that you took in current head count train them and then put them on the job after could you give me that numbers if possible?

Vineet Nayyar

As I said, I have 50 people in transformation and again there is a large pool of people who have been trained for various functions as I said, and utilization is close to 70%, and 30% of our people are in various forms of training or preparation. There is if I have a visibility of 800 people then I am looking at between 400 and 600 people who are already in training because we know what they have to be trained on.

Ruchir Desai

Great, thanks a lot and all the best.

Moderator

Thank you very much sir. Next in line Mr. Prateesh Krishnan from DSP Merrill Lynch.

Prateesh Krishnan

Hi! this is Prateesh here. You know BT recently had a few changes, management changes in its project, do you see any impact either positive or negative because of these changes?

Vineet Nayyar

You know BT has sliced and diced the portfolio to make it more efficient and more productive for them as a part of their go to market strategy and since we have a deep relationship and we have relationship which cuts across business units as I said we only look at these as an opportunity to provide better service and for them to benefit more. Beyond that I don't really see any negative about.

Prateesh Krishnan

And on BT side again, because you know your peers seems to have done extremely well as far as the BT account last quarter whereas we haven't grown so much?

Vineet Nayyar

I think you should look at it on an annual basis, and if you look at it on an annual basis I don't think any one comes close to us. Because quarter-on-quarter is a tough game to determine the trends of any company, we had very good three quarters, last quarter was kind of stable, and therefore please view it from on a year-on-year basis.

Prateesh Krishnan

And when do you see this trend or the acceleration at least starting up again?

Vineet Nayyar

Can you repeat?

Prateesh Krishnan

In terms of the pause that you mentioned, I mean you know how long would that pause be or can we expect you know probably used to start again from next quarter or should we wait for one or two quarters more for the pause to start?

Vineet Nayyar

Again, I would start giving you forward guidance which I am extremely sorry, but all I can say is that until this call I was not unusually worried about the fact that I don't know think it is a slowdown, it is just a pause.

Prateesh Krishnan

Sure, last thing, can I have the update on the AT&T side, specifically in terms of the \_\_\_\_ that we have recently in terms of the Bangalore center where the AT&T CEO dedicated the center or something like that.

CP Gurnani

AT&T is a key client, and as you know AT&T has two relationships within India, one is with Mahindra group for their ILD and NLD license, they have a separate company where Mahindra is a joint venture partner, and similarly Tech Mahindra is a preferred supplier to AT&T, and AT&T as you know is the 9<sup>th</sup> largest company in America, 19<sup>th</sup> largest company in the world, and \$120 billion, I mean their Chairman of the Board and the CEO Randall Stephenson was India and he spent time with us in Bangalore and in Noida, and while he was in Bangalore he dedicated a new R&D facility which will be looking after our network management practice, interoperability testing practice, and multi-vendor, multi-products operational efficiency and testing practice. So we were honored Randall during his short trip to India spent time with us in Bangalore and in Delhi.

Prateesh Krishnan

Could you just you know what would be your position vis-à-vis the competition in India in terms of the other larger peers?



Vineet Nayyar

I think we are one of the I mean with telecom we are one of the biggest, as an AT&T supplier we are definitely one of the biggest.

Prateesh Krishnan

Sure, thanks a lot.

Moderator

Thank you very much sir. Next in line we have Mr. Harminder Gandhi from Brick Securities.

Harminder Gandhi

Hello, good evening. I just wanted to ask you one question about the skill set required for the BT Global Services, you said that for that particular deal you require and we understand that different kind of skill sets, not telecom domain specific and things like that, so what are those unique skill sets you require?

Vineet Nayyar

I think what you heard from Sanjay was that eventually we are trying to undertake an transformation project and this is not for BT's own captive usage, it is for BT's end customer, and in some of our previous calls we have discussed with you that, for example, BT Global Services has \$10 billion contracts over the next 7 years with NHS, NHS is the service provider, they are setting up the whole infrastructure and online electronic digital records and the connectivity with other parts of the medical world, now when you are trying to do some kind of a transformation there, the assumption is that the fundamental skills are the same, it is platform, it is networking, it is engineering skills, but on top of that you would expect your people who can think business process management, who can think business process reengineering and who can actually visualize the process end-to-end, so that is where I think you would find Tech Mahindra investing and trying to move up the value chain.

Harminder Gandhi

Okay, in the deals won, in the press release there is one deal which says that in the OSS domain you have become the prime ownership for design integration build and deployment of a OSS solution as a part of transformation of a journey of a tier one telco. Is this referring to BT only?

Sanjay Kalra

I think as a policy we will not like to disclose the name of the client.

Vineet Nayyar

I mean important part of that part of the press release is that we are getting much deeper responsibility by our customers overseas and even the most sophistication next generation OSS we are getting end-to-end responsibility.

Harminder Gandhi

Okay, when does this IPTV partnership with Microsoft, when do you think revenues coming from there?

CP Gurnani

I mean the fact is that some revenues in product engineering and R&D are already happening and regarding our go to market there are a few projects in trail stage and as and when they grow we

expect overall IPTV as attractive, I am not talking about only one middle ware or one solution, I mean IPTV as an practice is an important practice for us and different market segments require different kinds of solutions, and certain markets can do with a very small subscriber base – 50,000 or 100,000 subscriber base, and certain markets you have to target 10 to 20 million subscribers. So there are different products and we have a product and system integration capability practically for every market place.

Harminder Gandhi

Okay, which market you think that IPTV is most likely to do?

CP Gurnani

I mean the fact is that IPTV by definition is either a smart phone or a smart enterprise, I mean ultimately what you are trying to do is that use IP which gives you a fair amount of bandwidth and use the interactive process that is available to do applications which could be just as simple as photograph sharing or as simple as doing video on demand, almost 12-channel media station. So, I think you would find that the usage will be different as we start segmenting the market. At the current mode it is IPTV which is basically an interactive IPTV.

Harminder Gandhi

Okay, thank you very much.

Moderator

Thank you very much sir. Next in line we have Dipen Mehta from Dipen Mehta Share.

Dipen Mehta

Yes sir, congratulations on good set of results. I just want to clarify that the billion dollar BT deal which is announced, the revenue will start flowing form the current quarter, is that what you are saying?

Vineet Nayyar

What we have said is that this current quarter we have done basically couple of things. We have created the necessary manpower for being able to service the needs, two, we have gone through a process of discovery as Sanjay indicated to identify what are the opportunities which are available which can be migrated to Tech Mahindra. We will see some revenue coming in the second quarter, but the main flow will start off third quarter.

Dipen Mehta

Okay, and sir this and all the other master business agreements which we may have with BT, is there any clause on currency appreciation or and how do you account for that aspect? Is there flexibility to increase the rates if the rupee keeps on appreciating versus euro and the pound?

Sonjoy Anand

The agreements do not have a clause for automatic increase of rates based on movement in the currency, and I believe you know across the industry that is not the practice.

Dipen Mehta

No, but how does it work, suppose you want to raise the rates, is that by the way of negotiation or is there a clause built in or are there any specific conditions which need to be met or you are just stuck into that rate?

Sanjay Kalra

I think discussing individual contracts is of commercial sensitivity and I don't think it can be discussed on this call.

But I think Dipen, I mean the normal prudence, I mean, we try and safeguard ourselves on currency fluctuations, but the customer obviously would want to enter into fixed price contracts, I mean it is just a matter of some customers we would be able to get it into a commercial contract and in certain cases we will have to leave that on the table.

Dipen Mehta

What about the BT deal which you announced? Is there any scope

Male speaker

Unfortunately on that deal or any other specific deal Dipen, it is not possible for us to get into the details.

Dipen Mehta

I am not clear, I mean, either we have the scope to increase the rates or it is just fixed till the whole contract runs out. That much you can tell us I mean.

Vineet Nayyar

Almost every long-term contracts have provisions for currency and of our rates adjustments upwards or downwards

Dipen Mehta

Okay, that's all I wanted to know.

Vineet Nayyar

Yeah, I mean there is no long-term deal which comes without adjustment capabilities.

Dipen Mehta

Thank you and all the best.

Moderator

Thank you very much sir. Next in line we have a follow up question from Mr. Pankaj Kapoor of ABN Amro.

Pankaj Kapoor

Hi sir. Just a few questions on data points. How much were the subcontractors we had this quarter and a sense on the subcontract expenses?

Sonjoy Anand

Pankaj, you can pick up these details off line from Manoj.

Pankaj Kapoor

Fair enough, and just one comments which Vineet mentioned in the beginning of the call about having a long-term re-look on the wage policies in light of the rupee appreciation, what exactly you were thinking and if you give some sense on your line of thinking over there?

Vineet Nayyar

Pankaj, what I was saying was raising a generic issue. This industry like any other industry cannot sustain a 15% increase year on year. It is just not going to work because this will destroy the competitive advantage of the entire industry. So, couple of things can happen. On a macro level if we push up the rates and we blunt our competitive edge. On the other hand we could chop off modulate increase in wage inflation because this is not quite consistent with the wage increases taking place in the country, and of course as you know people are already talking of sixth day week and increased productivity which is going on. These are all responses to what everybody in the industry believes is a situation which could become untenable, and industry is responsive, when there are constraints they will respond to it, and I am certain this is an area which will be engaging the attention of all the managers in this industry right across the country.

Pankaj Kapoor

Okay, are we planning any near-term measures on these lines, obviously the quantum of the hike is more of a competitive environment issue, so I don't know how much flexibility do we have there, but in terms of changing the operational environment, increasing the number of days and things like that which you mentioned are you looking at something like that in the medium term?

Vineet Nayyar

Well, the first step we are taking in this regard is to increase the utilization, and I think since we were around 70% we are looking at utilization going up to 75% and then possibly to 78% or so.

Pankaj Kapoor

Okay, thank you.

Moderator

Thank you very much sir. Next in line we have Mr. Sumitra Chatterjee from Equity Master.

Sumitra Chatterjee

Very good evening sir and thank you very much for taking my question. My question relates to the deal of the Canvas M, the JV with Motorola, could you just brief us about what kind of work you are doing over there?

CP Gurnani

Canvas M, the primary focus has been on bringing content to the consumer, and the second part is that we are also looking at very innovative mobile applications, the examples could be color notes, examples could be you know using your mobile handset for financial services, whether it is remittance of money or you know in a secure environment or using your phone as a credit card, and the third point that we are focused on is that more revenue sharing kind of deals, that means when we work with an operator whether for a mobile gaming or whether for any different kind of content whether it is lifestyle or a fashion, I mean whatever kind of an application, once you introduce it together we could do a revenue sharing with the operator. So I think in the Canvas M JV has started off very well. They have been in the business for about two quarters now, and we just had a formal review with them during our board meeting this morning, and we are very very pleased with the leadership and the performance at Canvas M.

Sumitra Chatterjee

Okay, and my second question relates to the BPO business, the BPO business was started during the third quarter FY07 and the numbers say that it is showing a very well, what kind of margins you are expecting in the BPO business?

Sonjoy Anand

We generally don't share the margin, but they are the industry average. Most of our pricing is transaction based pricing

Sumitra Chatterjee

Okay, and one final question, in terms of EBITDA margins, business on a quarter-on-quarter basis it has shown a decline, a bit decline, so what are the possible reasons for that?

Male speaker

I don't know what specific number you are talking about, but I think if you are looking at the result and the segmental data you are looking at standalone numbers.

Sumitra Chatterjee

Yeah, standalone numbers.

Male speaker

So you know to get a true picture you need to look at consolidated revenues. I think overall as you would see from the fact sheet our EBITDA has declined 300 basis points quarter to quarter, that is the number to understand and as we have said clearly in this quarter we have seen the impact of both salary increase and the currency, this has been partly mitigated by a number of measures which I mentioned earlier.

Sumitra Chatterjee

Okay, thank you sir, thank you very much.

Moderator

Thank you very much sir. Participants who wish to ask question, please press \*1. I repeat, participants who wish to ask question, please press \*1. We have a question from Mr. Kashyap.

Kashyap

Hello, could you just highlight the attrition rate this quarter?

Male speaker

It is 18% like to like.

Kashyap

Okay, that is it, thanks a lot.

Manoj Bhat

Alright Suresh, I think we should move towards summing it up.

Moderator

Sure sir. At this moment, I would like to hand over the floor back to Mr. Vineet Nayyar for the final remarks.

Vineet Nayyar

Folks thank you very much for attending this conference, and I would repeat what I said earlier, a great year and a good quarter for Tech Mahindra. Thank you so much.

Moderator

Ladies and gentlemen, thank you for choosing WebEx conferencing service. That concludes this conference call. Thank you for your participation. You may now disconnect your lines. Thank you.

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1. Please verify the proper nouns and their spellings, and the acronyms.
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3. Bolded words need to be confirmed for their accuracy.
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