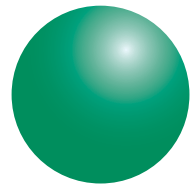


Promise what we deliver.

Deliver what we promise. That's

certainty





TCS House, Mumbai

Contents

Board of Directors	2
Letter from the CEO.....	4
Financial Excellence.....	6
Delivery Excellence.....	8
HR Excellence	10
Brand Campaign.....	12
Global News.....	14
Awards.....	16

Management Team.....	18
Notice.....	20
Directors' Report.....	25
Management Discussion and Analysis	47
Corporate Governance Report.....	87
Auditors' Report.....	102
Balance Sheet	106
Profit and Loss Account.....	107
Cash Flow Statement	108
Schedules forming part of the Balance Sheet.....	109
Schedules forming part of the Profit and Loss Account	123
Notes on Balance Sheet & Profit and Loss Account.....	125
Balance Sheet Abstract and Company's General Business Profile	142

Consolidated Financial Statements

Auditors' Report.....	143
Consolidated Balance Sheet.....	144
Consolidated Profit and Loss Account	145
Consolidated Cash Flow Statement.....	146
Schedules forming part of the Consolidated Balance Sheet.....	147
Schedules forming part of the Consolidated Profit and Loss Account	154
Notes to the Consolidated Financial Statements.....	156
Statement under Section 212 of the Companies Act, 1956 relating to subsidiary companies.....	172

Annual General Meeting will be held on Friday, June 29, 2007, at Birla Matushri Sabhagar, Sir V. T. Marg, Mumbai, at 3.30 p.m. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to kindly bring their copies to the meeting.

Board of Directors

(Standing - Left to Right)

Ron Sommer
Independent Director

A Mehta
Independent Director

R N Tata
Chairman

N Chandra
Independent Director

V Thyagarajan
Independent Director

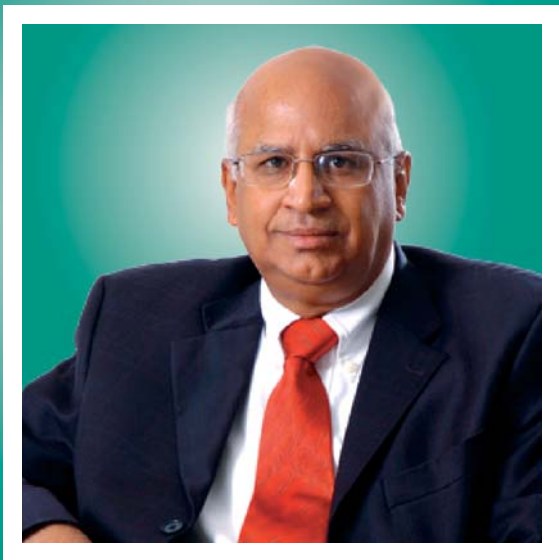
(Sitting - Left to Right)

S Ramadorai
Chief Executive Officer
& Managing Director

Laura Cha
Independent Director

C M Christensen
Independent Director





S Ramadorai
Chief Executive Officer & Managing Director

Letter from CEO

Dear Shareholders,

2006-07 has seen your Company take some significant steps on the journey to be among the top IT companies globally. With consolidated revenues of \$4.3 billion TCS now stands at global number 11 and on the threshold of the top ten global IT firms. On other parameters like profits, market capitalization and employee strength, your Company is well established in the global top 10. In the 11 Quarters that your Company has been publicly listed, its market capitalization has more than trebled from around \$8 billion at the IPO price to \$28 billion at the end of March 2007. We have been consistently rewarding our shareholders, not only through dividends paid out every quarter but also through the maiden 1:1 bonus issue made this year.

Our growth rates have also been rising steadily year-on-year since we went public -- from 37% in 2004-05 to 41% this year -- on an ever increasing revenue base. Many strategic initiatives undertaken in the last 18-24 months are bearing fruit. In the process, we are creating an agile and flexible organization able to deliver based on new and innovative business models while scaling up our global capabilities and footprint to take advantage of the strong demand for our services globally. With an eye on the future, we are grooming leadership for the next level-a leadership that is committed to the Tata way of business. Our corporate social responsibility initiatives especially those in the areas of children's education and adult literacy continue to thrive.

As we continue to deepen our links in mature markets and establish a strong presence in emerging markets, we remain confident of pursuing growth rates higher than the industry average, with a keen eye on profitability and new opportunities.

The TCS strategy is being driven by three key differentiators. One is the unique Global Network Delivery Model™ (GNDM™) which is much more than having an India-centric delivery model with near-shore centers. The GNDM™ allows our teams to collaborate on projects, leverage all our assets, work on a follow-the-sun model, if necessary, and above all, through their homogeneity in terms of quality, skills and look-n-feel, give customers the same experience of certainty, irrespective of geography and market.

Another key driver of growth has been our acquisitions. The intent has not been to buy revenues, but to create capabilities that will drive higher levels of synergistic growth. The value being generated by these acquisitions has been tremendous and we have seen only the beginning of the synergistic revenue opportunities. For instance, acquisition of FNS in Australia has given us a world-class core banking product which we have been able to leverage to enter new markets such as China and Latin America.

The power of our GNDM™ as well as our strategic acquisitions is truly unleashed by our integrated full-services play that now captures the entire value chain of IT -- from consulting to products and solutions, and from implementation to support. Five of the twelve large deals of over \$50m won by TCS in 2006-07 used more than one service line which shows that an integrated offering has been validated by global customers.

We believe that there is tremendous opportunity for a company like TCS in the global market place and our growth strategy is centered around five objectives:

- Increase market share in established markets like the US, the UK and Europe
- In India, concentrate on projects with scale and complexity -- like the National Stock Exchange, the third-largest global exchange by trading volumes, or mission critical projects like the Ministry of Company Affairs' MCA-21 initiative
- Establish TCS as a leading player in new markets like China, Japan, Latin America as well as the Middle-east and Africa
- Add new offerings to our portfolio such as infrastructure services and new BPO platforms and increase traction for the financial products portfolio in key markets

Having laid a strong foundation, your Company must focus on some broad imperatives so as to become the pre-eminent IT services player globally. Innovation is one such imperative.

Innovation can take many forms, but these must result in better productivity of employees through continuous improvement in processes, systems, methodologies and capabilities, resulting in higher revenues and profits per employee. Our internal focus on operational excellence has seen innovation in the form of extensive digitization, creating

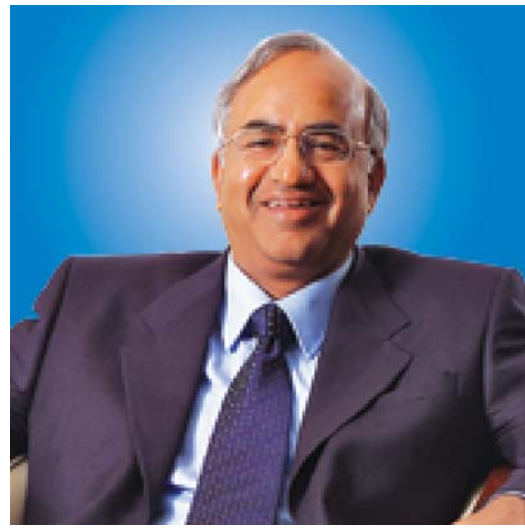
real time dashboards which have brought in visible efficiencies, growth and margin enhancements. Increase in the use of automation in software development and reducing the linear increase in manpower by greater use of our own IP to crunch the IT development-to-deployment cycle is another key focus of the innovation efforts.

We continue to remain focused on our customers and their needs. 65% of a Chief Information Officer's budget, for instance, goes into running the business. We believe this can be brought down so that more is available for transformation initiatives. We have built our reputation on absolute delivery excellence and we like nothing better than to help our customers experience certainty when it comes to IT.

The ultimate test of success is probably talent management. The average age of a TCSeer is 27. Today's young employees constantly push us hard to meet their global career aspirations and to nurture them into world-class professionals. Your Company is becoming truly global with over 8,000 employees from over 67 nationalities in the TCS fold. The immense professionalism, dedication and support of over 85,000 TCSeers globally continues to be your Company's greatest asset.

Your Company's strength in learning and development is also playing a key role in the larger community. Our commitment to education and technology is helping students in India and beyond through outreach programs and community education and health initiatives. We also continue to minimize any impact on the environment and are working with our colleagues to create a greener organization and community.

The revenue potential of the Indian IT industry is estimated to be \$60 billion by 2010 and your Company is well poised to take advantage of this opportunity. It has put in place a vertical organization and a global footprint to capitalize on the trend of increasing domain specialization, whilst simultaneously building the global scale required for large end-to-end engagements. We are constantly researching and finding new frontiers for our services - new opportunities through initiatives to create innovative models like platform-based BPO or remote infrastructure management and are building an organization that is geared for growth and ready to claim its rightful place in the world of Information Technology.



S Mahalingam
Chief Financial Officer

Delivering certainty to shareholders

In the 11 quarters since TCS went public in 2004, investors know TCS as a company with strong financial management focused on long-term growth and profitability. TCS has seen consistent growth of earnings and profits in the period, and in the context of our current brand promise, it is helping investors and shareholders' experience certainty in a dynamic market place.

The finance function in TCS acts as the rudder, as the Company proceeds on its journey to the global top 10 by 2010. The journey begins with a rigorous financial planning exercise that aligns the entire organization behind the financial and business goals of the Company.

To drive certainty for financial stakeholders, TCS focuses on operational efficiency through robust, coordinated financial planning and execution across an enterprise which operates in 39 countries. The global organizational structure through branches, subsidiaries or joint ventures has enabled the Company to be flexible, compliant and responsive to the needs of the marketplace. While this does add to the quarterly complexities, it is well managed through an ERP system that gives the finance and leadership team a view on information on parameters like Growth, Profitability and Efficiency right from the Project and Customer account level through to the Country and Industry and Service Practice levels. As the system aims not only to record but also to provide extensive analysis, it leads to consistency of long term performance of the Company as well as transparency. This is achieved by understanding, tracking and managing costs closely and creating a performance oriented culture through appropriate measurement tools that focus on driving value for the customer and the organization. These processes start from certainty in costing at the project level and go through to the business unit level.

To deliver a sophisticated and dynamic costing model at the project level, TCS studied and developed a project- level Activity Based Costing (ABC) linked to the software engineering process and based on a new technique that was being introduced in the manufacturing industry in the early 1990s. The pioneering implementation of an Activity Based Costing process was to measure the cost at the level of Tasks – as defined by our Software Engineering Process. When

managing a large project, the Project Leader needs to have a good handle on all the costs being incurred at an Activity Level and to know what is driving these costs. For example, Cost of Quality may be high because the Standard adopted for the Project may have inaccuracies leading to problems during testing. Our ABC system directs the attention of the project leadership to non value adding costs, thus helping in improving the efficiency and also in building an estimation benchmark for each activity.

The successful implementation of this method of tracking costs across the enterprise has enabled Project Leaders not only to know their costs but also to identify levers which could be used to improve the efficiency of activities that are being performed. This in turn has been used to set up benchmarks for efficiency across the organization and helped the Company deliver many landmark turnkey projects globally.

One pillar of building a performance oriented culture has been the ability to extend projects-level assessments to evaluate the performance of Business Units. Projects are the building blocks of this enterprise - not only are they a sub-set of the overall customer account, but also of a part of Regional and Practice balance sheets. This required us to expand the system to create a multi-dimensional picture. Project data became the essential building block for assessing customer profitability, regional profitability, and practice profitability.

In turn, this ability to analyze the efficiency of the Company, project by project, helped us introduce a variable program based on the Economic-Value Add concept (EVA) in the late 1990s, as the basis of an incentive program for our employees. The EVA program aims for continuous improvement around which incentives are structured. Such a program could not have been implemented without training people on drivers which enhance value on a sustained basis from the project-level onwards. Thus, a desire to understand project cost through Activity Based Costing became the building block for employee incentives through EVA. It was also the key to help enhance value being created in a Business Unit like a large customer account, which is in itself, an aggregation of projects for that Customer. A variable incentive program based on Corporate, Business Unit and Individual performance was measured by capturing the EVA in a business unit.

Simultaneously, the organization developed Balanced Score Card to track functions and their organizational effectiveness and alignment. Using our Top Ten by 2010 strategy map and developing linkages among Finance, Customer Relations, Internal Processes, and Learning and Development, we developed the drivers which enable the desired result in each category to be achieved, and created the lead and lag indicators to track these. We also developed a set of cascading Balance Score Cards – at the level of Customer, Delivery, Geography and Corporate Management and other functions throughout the enterprise.

At the macro level, there is a rigorous and comprehensive annual financial planning process to ensure that the entire organization is completely aligned behind the business and financial goals of the Company. The Finance function coordinates and drives the detailed planning process linking the demand generation position to the delivery capability, factoring in market size and growth, our competitive positioning, and our improvement in goals and targets.

Financial planning at TCS is a twin process - bottom up and top down. The process begins with the sales arms of TCS that are located in various geographies. Detailed plans are developed on a region-by-region basis as these sales arms plan their positioning and volume, based on the market potential. These plans are then linked and validated against both service line and top account plans to ensure alignment among all internal stakeholders.

These plans factor in appropriate investments in marketing and selling expenses to ensure the support necessary to drive the creation of demand through branding and events. Finance provides the data support when determining the growth, in capturing the assumptions on which the growth strategy is based, and in monitoring not just the performance, but also the movement of key drivers.

While TCS continues to eschew guidance, we believe that internally the Company is ready to deliver certainty and confidence to the investment community that our growth will continue to be in line with the market potential.



N. Chandrasekaran
Head - Global Sales & Operations

Behind 'Experience certainty'

In today's competitive global market, adoption of technology has become a fundamental imperative for corporations to sustain their competitive advantage in the marketplace. Faster technology deployment, availability of systems and their reliability, flexibility to respond to changes in the business environment are essential demands by businesses the world over. As individuals, we take many things for certain. Why should IT systems in corporate environments be any different? As a mobile phone customer, we wouldn't be happy with anything less than 24x7 service. But when it comes to their IT, corporations often have had to live with much less certainty – in terms of time, costs, schedules and quality.

With over 38 years of experience in providing IT Services, Business Solutions and Outsourcing services, 'Experience certainty' is what we promise our customers today. We have been front-runners in providing these services in a unique global delivery model to leading global corporations by partnering with them. 'Experience certainty' is not a recent realization for us; it is a philosophy that we have been relentlessly pursuing for years. We have institutionalized this philosophy over time and established its credibility. Today, several of the world's best known businesses depend on TCS for this certainty. Most importantly, the Company has built a fine track record of excellence to earn this distinction.

For customers, the proposition of 'certainty' is a multi-dimensional one. When TCS states that it has a 99.6 % on time delivery record, it represents only one of the dimensions of delivery. We have evolved a number of other dimensions like quality expressed in terms of defect-free software, availability of systems, the ability to deliver systems within budget, total cost of ownership, faster time to market, etc.. TCS has focused on delivering value to its customers in all these dimensions and has been measuring its performance over several years. Today, the Company is delivering best-in-class performance in all these dimensions.

TCS has three unique pivotal strengths that help global customers experience certainty.

- First, our unified quality model serves as the framework that helps us provide the same consistent level of quality whether it is from India, China or Chile. With the result, our customers experience 'One Global Service Standard'
- Second, is our Global Network Delivery Model™ (GNDM™) that harnesses clusters of knowledge and specialized competencies globally
- Third, our integrated full services capability that helps us address complex business needs of today's enterprises

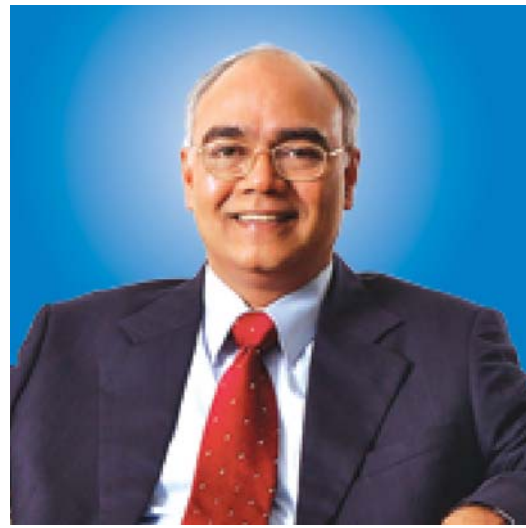
Our Integrated Quality Management System (iQMS) provides us an agile quality framework having the flexibility to adapt to emerging new services. iQMS has emerged as a unified quality model that encapsulated the best-of-breed practices from a range of complementary standards and methodologies. It helps us to integrate processes across software development, people management and security deployment, and to eliminate the risk of redundancy in processes.

Our Global Network Delivery Model™ (GNDM™) represents a next generation delivery philosophy. TCS has invested in setting up global scale delivery centers in locations like India, China, and Brazil, integrated with a network of smaller regional and local delivery centers. This allows us to provide a seamless delivery experience to our customers, and is a key component of our 'Experience certainty' promise.

Finally, TCS has one of the most complete portfolio of services spanning business consulting, information technology, business process outsourcing, infrastructure, and engineering. This allows us to serve global leaders across industries – Financial Services, Retail, Telecommunications, Manufacturing, Hi-Tech Industry, Pharma & Life Sciences, Travel & Hospitality, Utilities and Public Services/ Government. Having a full-services portfolio

strengthens our ability to deliver on the 'Experience certainty' promise across a significant spectrum of the requirements of our clients.

From a TCS perspective, 'Experience certainty' reiterates TCS' pioneering role in the industry and brings total transparency in the delivery metrics. It helps us unambiguously promise our intent and demonstrate our delivery track record to our clients. Our commitment to delivering 'certainty' is demonstrated in our ability to adapt to the dynamic business environment in which our customers operate. We continue to embrace change and enrich our processes that give us an ability to offer new business and operating models.



S Padmanabhan
Head - Global Human Resources

Delivering certainty to employees

Over 85,000 TCsers, distributed globally, are the key ingredient that helps customers experience certainty when they engage with TCS anywhere in the world. And as nurturing new talent emerges as the single biggest challenge for global business today, TCS is leveraging its strong links with academia to remain in prime position to acquire and retain the best talent while simultaneously casting its net ever wider to develop new sources of talent in India and overseas.

TCS continues to be among the largest employers in the private sector in India. We added 32,000 employees in 2006-07 and have already made over 12,000 campus offers for students to join the Company in the next fiscal year. What is more heartening from a shareholder standpoint, is that the Company, despite its size, has the best track record of retaining people in the industry and has been able to remain the employer of choice on engineering campuses because of our best-in-class sourcing and recruitment programs.

In an industry which is plagued by attrition, TCS continues to clock the lowest attrition figure for the third consecutive year with an attrition rate of 11.3%, including BPO, during the year. High retention has been achieved by continuously upgrading competencies of the employees while our focused initiatives aimed at creating a work-life balance also serve as a powerful tool to increase retention. Moreover, a well-designed job rotation policy offers employees the opportunity to work on and get exposure to multiple technologies, industry domains and global markets. The Company continues to be rated highly by employees and it won the Dataquest award for the Best Employer in the IT industry for the third consecutive year.

The success of the recruitment and training engine at TCS has given us the ability to provide certainty to our employees –certainty that their global aspirations and career growth paths are as important to the organization as they are to the individual employee. And this is being executed through a world-class Talent Management program that includes compensation and rewards & recognition structure based on performance, competency and experience.

To enhance the availability of talent, the Company is going beyond Tier I and Tier II cities. Using our holistic, objective and data-based process of college accreditation, we have been able to develop an increasing number of colleges along with their faculty and students which has helped us to recruit the best quality talent from over 300 colleges including a considerable number from Tier III cities in India. We have opened up the talent availability pool further by tapping science and maths graduates through an innovative program. Called 'Ignite', it is a seven-month residential training program that converts science students into software engineers through a special focus not only on software but also other skills to create global-ready professionals. The strong long-term relationships with academia have helped us create a robust sourcing ecosystem within the country.

Alongside ensuring availability, it is also critical for the Company to invest in enhancing employability by making investments in learning and development through all stages of the employee development lifecycle. TCS continues to foster certification programs to create 'tomorrow's professionals' and to equip them with the right balance of cross-disciplinary skills, analytical mindset and innovative approach to problem solving. A comprehensive approach to competency development at all levels of the organization has been a thrust area in talent management at TCS. With the objective of becoming a role-based organization, TCS launched the Integrated Competency and Learning Management System (ICALMS) last year to create a single, digital window for learning, delivery, competency management and skill assessment. This integrated system facilitated a one-stop shop for all the learning and competency development needs of the employee.

As TCS continues to build a multi-cultural global workforce – 9.6% of its employees were overseas nationals at the end of 2006-07 – it has created an enriched work environment that appreciates and embraces diversity and operates in an inclusive atmosphere of collaboration and excellence. Increased recognition as an equal opportunity player has helped TCS emerge as an employer of choice globally, while our efforts to

replicate our successful academic interface program globally as well as new initiatives like a Global Internship Program have enhanced the Company's ability to attract talent across the US, Europe, Asia and Latin America.

As our global workforce grows, TCS is investing in setting up training centers outside India as well as expanding its learning and development campus in Trivandrum. After setting up training centres in the US, China and Hungary, our new training centre in Uruguay will serve as a training platform to upgrade the technology skills of the Company's employees in the Latin American region.

TCS' global workforce is also growing due to strategic acquisitions in India and other geographies, driven by synergistic growth opportunities for the Company. This is also adding a new dimension to the management of the Company's diverse talent pool with employee integration as the driver for delivering the synergistic value of the acquisitions. The Corporate Growth Initiative is a new Human Resources programme that allows us to play a strategic role in mergers and acquisitions and act as a change agent to facilitate employee communication and culture fitment and create a single organizational value system among all employees.

As TCS emerges as a scale player, not only in India, but across the world, building systems to manage scale is a key challenge for HR professionals in TCS going forward. A digital organization is the answer that can help manage the challenges of scale and TCS is investing to build the digital enterprise and integrate its HR processes, systems, functions and initiatives. All this only helps provide certainty to our customers that they are getting access to the finest global talent, while employees can be sure that their career growth and global aspirations are firmly locked on to the Company's radar.



P A Vandrevala
Head - Corporate Affairs

Building brand TCS through experience of certainty

Going through this Annual Report, the dominant theme shareholders would notice is the one of certainty. In the fourth quarter of this financial year, TCS embarked on a new initiative by articulating its new brand promise to the entire world – Experience certainty. In the process, it has once again assumed a pioneering role in building the brand image of the modern Indian corporation, which is global in belief, mind-set and capabilities and is benchmarked with the best in the world.

This organization has always been known as the pioneer of the Indian IT industry – paving the way for others to follow, creating the 'disruptive model' of off-shore IT development that today has become the global norm, entering new markets like Latin America and China and above all creating a business reputation and atmosphere for Indian skills, talent and knowledge to succeed in an ever-competitive global economy.

This first-ever global brand campaign by an Indian corporation reflects not only the increased confidence and posture of India Inc. on the global stage, but also coincides with the arrival of TCS as among the top 10 IT companies in the world, in terms of market capitalization, profits and the number of employees. The campaign is part of TCS' overall marketing campaign to build its brand in key markets and compete worldwide from a brand perception and recognition perspective with the global IT firms as well as on the ground, where the Company is already making an impact on customers' business vis-à-vis our competitors. Throughout the next 12-18 months, TCS' new brand campaign will be presented to the world through leading global media outlets like the Financial Times, The Wall Street Journal among others, as well as leading Indian media outlets.

The new brand assurance - Experience certainty - is a crisp articulation of what TCS offers the world. This commitment to the brand assurance of certainty is embedded in everything it does. It is more than a label - it represents TCS' ability and commitment to delivering projects in time and on quality for our customers. It also expresses an assurance to the customers, partners, staff and society at large and encompasses what TCS stands for in the conduct of its business.

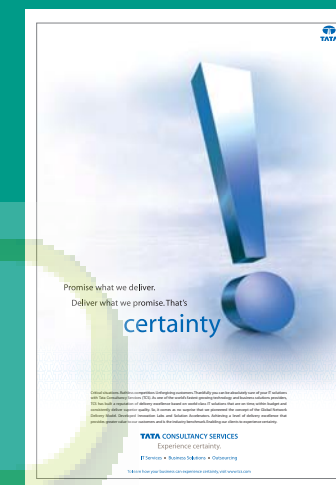
This advertising campaign highlights the strength of TCS' commitment to Experience certainty. Our customers like ABN Amro Bank, UK's National Grid, Italy's Ferrari among others have agreed to endorse the brand articulation, which is proof that the assurance is one TCS makes – and keeps – for its customers every day.

The global marketing and brand building image goes beyond advertising campaigns. One important part is the internal branding piece, which helps to familiarize and internalize the brand promise throughout this 85,000-strong organization. This is being rolled out and cascaded through the organization across over 40 countries using a combination of physical and digital methods and using the many channels of employee communications that exist to create and nurture a close alignment of the Company's brand promise and its brand ambassadors – the employees who interact with customer organizations every day.

One sub-set is an aggressive external communications campaign, which is reaching out to influencers in different markets, be they be in academia and think-tanks, governments and the media. The aim is to bring into focus, not only the great strengths of this Company as a global player but also India as a global base for extracting the best talent and skills for any globally competitive company. Accompanying this global charge is a set of new collateral that help spell out the benefits of certainty to all the stakeholders through a cutting-edge, redesigned website, customer case studies and other collateral.

Another key piece of this global image building exercise has been the creation of an independent board of directors. As you would have seen in the photograph in the initial pages of this Report, TCS now has an expanded eight-member board featuring luminaries from across the world with the exception of the Chairman, Mr Tata and the CEO, Mr Ramadorai, all other members are independent.

The independent directors bring their varied business experience across industry and markets to the deliberations at TCS' Board.



The Company's business strategy benefits from the enormous experience of directors like Aman Mehta, former global HSBC chief, Ron Sommer, former chairman of Deutsche Telecom as well as academic guru Clay Christensen of the Harvard Business School, Naresh Chandra, one of India's most distinguished bureaucrats, and V. Thyagarajan, head of GlaxoSmithKline in

Asia as well as Laura Cha, a highly-respected financial services regulator from Hong Kong.

The Company believes that these marketing initiatives will provide the foundation for future growth by making the TCS name as well known outside India as it is in the country.

Historians writing in the future about the pre-eminent position of the Indian IT industry worldwide or for that matter, the emergence of India as an economic power on the global stage will, no doubt, refer to 2006-07 as one of the turning points in terms of image building, led by none other than your Company. Once again, as in the past, TCS is leading the way globally for a whole new generation of Indian corporations to follow.



Global News

North America

The level of certainty that North American customers experience when working with TCS is what continues to propel the company forward. In 2006-07, North American revenues grew 29% - a strong performance made possible by the energy and effort of the 12,000 TCS employees working in over 40 offices in the United States and Canada who are seamlessly integrated into our Global Network Delivery Model™. As we leveraged our GNDM™, we improved our offshore leverage further contributing to our overall profitability.

We made considerable progress in our academic interface program, building relationships with some of the most prestigious academic institutions in the US and Canada. This program continues to help us in our collaborations with academia and recruitment of top talent as we continue to diversify our employee base. We also launched our Co-Innovation Network in Silicon Valley, bringing together research resources and innovation capabilities of global academic institutes, venture capital funds, start-up companies, TCS alliance partners and multi-lateral bodies in a collaborative structure to deliver new standards of innovation. Our successful Annual Customer Summit attracted more than 200 CIO and VP level customers. Held at Monterey, California, it served as a platform for customers to network with their peers, and with TCS executives and industry experts to gain valuable insights on new technologies and best practices.

Additionally, we have received a number of external validations of our work. This year Global Services magazine ranked TCS as the top IT services provider, we received the 2006 Frost & Sullivan Company of the Year Award, TCS was the highest ranked Indian firm on the American Banker FinTech 100, and was also the highest ranked Indian IT services company in BusinessWeek's annual IT 100.

Europe and United Kingdom

TCS Europe continues to penetrate into fast maturing off-shoring markets like Germany, Benelux and the Nordics, using delivery centers in Hungary and Luxemburg as two spokes of our GNDM™. Our acquisition of TKS Teknosoft has given us new customers and ready access to markets in France and Switzerland.

In the UK and Ireland, we have expanded into a network of offices and started an Innovation Lab in Peterborough. In the UK, we have also set up a BPO subsidiary, Diligentia Ltd., which employs over 900 persons. The Peterborough lab acts as a 'hub' for the global Co-Innovation Network in the UK, encouraging collaborations between customers, academic, global alliance partners, start-ups and venture capitalists.

The TCS Global Consulting Practice in the UK and continental Europe is growing rapidly, offering high value services both to existing customers and bringing in new customers with offerings that include Enterprise Solutions, Utility Computing, Test Factory and IT Governance. Infrastructure Services and BPO are also key growth areas.

IberoAmerica

TCS Iberoamerica closed 2006-07 with close to 5,000 employees in the region, with revenues up 150% over the previous year, and is well positioned as one of the fastest growing, top tier IT services firms in Latin America. Our Global Delivery Centers in Uruguay, Brazil and Chile in particular, continued to ramp up rapidly over this financial year.

We started a Regional Training Facility in Montevideo, Uruguay to train up to 1,000 persons a year from countries across Latin America. Our new Colombia office, inaugurated in June this year, has developed rapidly into a significant operation with over 120 persons situated in Bogota and has major customers in the

country. In Ecuador, TCS secured one of the largest integrated IT and BPO services contracts worth US\$ 140 million from Banco Pichincha, headquartered in Quito. The acquisition of Comicro in Chile (now TCS BPO Chile) in November 2005 has been extremely successful. In this financial year we have not only consolidated our operations in Chile but also grew them by over 60% over the last year figure. TCS Iberoamerica has been named among the top 10 technology companies by a large regional publication for its significant impact and contribution over the last 10 years (1996-2006) in Latin America.

Asia:

From Adelaide to Abu Dhabi, Asia is fast emerging as a growth market for TCS for sales and delivery. Our new joint venture in China kicked off in early 2007 and is now scaling up its operations on the back of some significant new engagements from Chinese financial institutions. We continue to develop relations with Chinese universities to hire and train science and engineering graduates for TCS China. We have created a new structure for delivery of projects for the Japanese market with the setting up of a hub in Kolkata called the Japanese Overseas Development Centre that will supplement and collaborate with our centers in Yokohama and Hangzhou, China. In the rest of the region, from Singapore to Saudi Arabia, our ability to deliver certainty to customers is driving growth and enhancing our brand in these markets.

India continues to be a critical market for TCS. The Company has been involved in the development of the country's financial infrastructure like stock exchange systems, depository and tax information systems. This trend continues and we are involved in building out the next generation of technology-led infrastructure in the country through mission-critical projects like MCA-21 to enable electronic information filing by the companies registered in India as well as other landmark projects.

Awards

Some of our achievements in the past year

