

**MindTree Limited**  
**Consolidated balance sheet**

	Schedule	As at December 31, 2009	(Rs) As at March 31, 2009
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' funds</b>			
Share capital	1	393,322,080	379,966,860
Share application money		-	3,000
Reserves and surplus	2	<u>5,792,124,579</u>	<u>5,132,752,781</u>
		6,185,446,659	5,512,722,641
Minority interest		-	327,595,434
<b>Loan funds</b>			
Secured loans	3	81,500,000	1,375,666,670
Unsecured loans	4	30,536,000	18,006,000
		<u>6,297,482,659</u>	<u>7,233,990,745</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed assets</b>			
Gross block	5	5,170,423,023	4,940,873,671
Accumulated depreciation		(2,441,110,706)	(2,109,609,728)
Net block		<u>2,729,312,317</u>	<u>2,831,263,943</u>
Capital work-in-progress		174,488,695	130,354,970
		<u>2,903,801,012</u>	<u>2,961,618,913</u>
<b>Goodwill</b>	16 (3)	154,258,759	1,460,494,507
<b>Investments</b>	6	973,720,196	1,013,301,543
<b>Deferred tax assets, net</b>		260,427,418	189,747,773
<b>Current assets, loans and advances</b>			
Sundry debtors	7	2,278,883,115	2,792,345,904
Cash and bank balances	8	454,373,937	487,580,966
Loans and advances	9	<u>1,693,833,166</u>	<u>1,411,106,229</u>
		4,427,090,218	4,691,033,099
<b>Current liabilities and provisions</b>			
Current liabilities	10	2,066,426,727	2,859,912,086
Provisions	11	<u>355,388,217</u>	<u>222,293,004</u>
<b>Net current assets</b>		<u>2,005,275,274</u>	<u>1,608,828,009</u>
		<u>6,297,482,659</u>	<u>7,233,990,745</u>
<b>Significant accounting policies and notes to the</b>	16		

The schedules referred to above form an integral part of the consolidated balance sheet.

**MindTree Limited**  
**Consolidated profit and loss account**

	Schedule	YTD Dec 31, 2009	(Rs) For the year ended March 31, 2009
<b>Income</b>			
Income from software development		9,515,976,018	12,374,672,619
<b>Expenditure</b>			
Software development expenses	13	5,815,211,096	6,967,839,994
Administrative and other expenses	14	1,877,602,736	4,186,621,946
		<u>7,692,813,832</u>	<u>11,154,461,940</u>
<b>Operating profit before interest, depreciation, tax and minority interest</b>		<b>1,823,162,186</b>	<b>1,220,210,679</b>
Interest	15	25,464,954	161,991,560
Depreciation	5	488,180,470	569,554,222
<b>Operating profit before tax and minority interest</b>		<b>1,309,516,762</b>	<b>488,664,897</b>
Other income	12	572,628,995	115,189,498
<b>Profit before tax and minority interest</b>		<b>1,882,145,757</b>	<b>603,854,395</b>
Provision for taxation including FBT		321,646,757	138,596,961
Deferred tax credit		(43,365,483)	(68,087,645)
MAT credit entitlement			(3,264,717)
<b>Net profit after tax, before share of profits of associates and minority interest</b>		<b>1,603,864,483</b>	<b>536,609,796</b>
Share of profits of associates		-	27,388,626
<b>Net profit before minority interest</b>		<b>1,603,864,483</b>	<b>563,998,422</b>
Minority interest		-	40,986,709
<b>Net profit for the year after minority interest</b>		<b>1,603,864,483</b>	<b>523,011,713</b>
<b>Balance in profit and loss account brought forward</b>		<b>2,434,707,354</b>	<b>1,963,682,560</b>
<b>Amount available for appropriation</b>		<b>4,038,571,837</b>	<b>2,486,694,273</b>
<b>Dividend</b>			
Interim		39,187,759	38,023,517
Proposed		-	-
<b>Total dividend</b>		<b>39,187,759</b>	<b>38,023,517</b>
Dividend tax		6,659,960	6,462,098
Amount transferred to general reserve		-	7,501,304
<b>Balance in profit and loss account carried forward</b>		<b>3,992,724,118</b>	<b>2,434,707,354</b>
<b>Earnings per share</b>			
(Equity shares, par value Rs 10 each)	16		
Basic		40.95	13.84
Diluted		39.52	13.70
<b>Weighted average number of shares used in computing earnings per share</b>			
Basic		39,169,692	37,784,844
Diluted		40,583,400	38,174,898
<b>Significant accounting policies and notes to the accounts</b>	16		

MindTree Limited  
Consolidated cash flow statement

	(Rs)	
	For the quarter ended December 31, 2009	For the year ended March 31, 2009
<b>Cash flow from operating activities</b>		
Profit before tax	690,525,271	603,854,395
Adjustments for :		
Depreciation	167,809,051	569,554,222
Amortization of stock compensation	876,674	9,982,210
Interest expense	573,477	161,991,560
Interest / dividend income	(8,112,480)	(87,029,007)
Loss on sale of fixed assets	2,217,368	(18,920,283)
Profit on sale of investments	(237,228)	(5,750,038)
Exchange difference on derivatives		1,522,924,878
Effect of exchange differences on translation of foreign currency cash and cash equivalents		(4,122,816)
Operating profit before working capital changes	<u>853,652,133</u>	<u>2,752,485,121</u>
Decrease in sundry debtors	47,003,520	(335,198,968)
Increase in loans and advances	268,926,654	(2,093,671)
(Decrease) / increase in current liabilities and provisions	(306,808,360)	(330,388,559)
Income taxes and FBT paid	<u>(152,788,110)</u>	<u>(286,852,593)</u>
<b>Net cash provided by operating activities</b>	<u><b>709,985,837</b></u>	<u><b>1,797,951,330</b></u>
<b>Cash flow from investing activities</b>		
(Purchase)/Sale of fixed assets	2,933,871	(434,567,964)
Proceeds from sale of fixed assets	(109,604,402)	65,112,650
Purchase of business/acquisition	(292,478,805)	(2,919,519,314)
Interest /dividend received from investments	8,112,480	62,682,476
Purchase of investments	(3,373,239,647)	(8,076,388,561)
Sale/maturities of investments	<u>2,877,692,795</u>	<u>9,079,178,187</u>
<b>Net cash used in investing activities</b>	<u><b>(886,583,707)</b></u>	<u><b>(2,223,502,526)</b></u>
<b>Cash flow from financing activities</b>		
Issue of share capital (net of issue expenses paid)	31,498,432	5,588,850
Receipt of share application money		3,000
Interest paid on loans	(573,477)	(158,568,493)
Proceeds from term loans	81,500,000	1,018,006,000
Repayment of term loans		(1,369,107,327)
Repayment of finance lease obligation		(38,201,551)
Proceeds / (repayments) of other loans, net		858,272,931
Dividends paid (including distribution tax)	<u>(45,884,537)</u>	<u>(90,404,786)</u>
<b>Net cash provided by financing activities</b>	<u><b>66,540,418</b></u>	<u><b>225,588,624</b></u>
Effect of exchange differences on translation of foreign currency cash and cash equivalents		4,122,816
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<u><b>(110,057,452)</b></u>	<u><b>(195,839,756)</b></u>
<b>Cash and cash equivalents of MindTree Wireless P Ltd at the beginning</b>	76,426,376	
<b>Cash and cash equivalents at the beginning</b>	<u>488,005,013</u>	<u>683,420,722</u>
<b>Cash and cash equivalents at the end of the year</b>	<u><b>454,373,937</b></u>	<u><b>487,580,966</b></u>

**MindTree Limited**  
Schedules to the consolidated balance sheet

	(Rs) As at December 31, 2009	(Rs) As at March 31, 2009
<b>1. Share capital</b>		
<b>Authorised capital</b>		
79,620,000 equity shares of Rs 10 each (previous year 79,620,000 equity shares of Rs 10 each)	796,200,000	796,200,000
<b>Issued, subscribed and paid-up capital</b>		
39,332,208 equity shares of Rs 10 each fully paid (previous year 37,996,686 equity shares of Rs 10 each) (of the above shares, 1,300,965 shares were allotted to the shareholders of Aztecsoft Limited for consideration other than cash)	393,322,080	379,966,860
	<u>393,322,080</u>	<u>379,966,860</u>
<b>2. Reserves and surplus</b>		
Securities premium account		
At the commencement of the year	2,552,486,546	2,761,421,384
Additions during the year		
Allotment of shares to shareholders of Aztecsoft Limited in accordance with the scheme of Amalgamation	261,559,013	-
On exercise of employee stock options	47,226,827	5,374,670
	<u>2,861,272,386</u>	<u>2,766,796,054</u>
Deductions during the year		
Adjustment of goodwill arising on amalgamation of MindTree Technologies Private Limited, in accordance with scheme of amalgamation.(Note 3 of Schedule 16)	-	(214,309,508)
Adjustment of goodwill arising on amalgamation of Aztecsoft Limited in accordance with scheme of amalgamation.(Refer Schedule 16)	1,407,210,756	-
	<u>1,454,061,630</u>	<u>2,552,486,546</u>
Capital Reserve		
General reserve	1,891,100	-
At the commencement of the year	201,732,829	194,231,525
Add: Transfer from profit and loss account		7,501,304
	<u>201,732,829</u>	<u>201,732,829</u>
Stock option outstanding account		
Add: Deferred employee compensation expense	42,268,375	51,848,455
	<u>4,541,804</u>	<u>(9,580,080)</u>
	46,810,179	42,268,375
Hedge reserve (Note 16 of Schedule 16)		
At the commencement of the year	(98,442,323)	-
Additions during the year	193,347,046	(98,442,323)
	<u>94,904,723</u>	<u>(98,442,323)</u>
Balance in profit and loss account		
	3,992,724,118	2,434,707,354
	<u>5,792,124,579</u>	<u>5,132,752,781</u>
<b>3. Secured loans</b>		
From banks		
- Term loans (Term loans are secured by a first, pari passu charge on fixed assets)	81,500,000	515,666,670
- Other loans (Loans from banks are secured by a pari passu charge on book debts and other current assets)	-	860,000,000
	<u>81,500,000</u>	<u>1,375,666,670</u>
<b>4. Unsecured loans</b>		
Council for Scientific and Industrial Research	30,536,000	18,006,000
	<u>30,536,000</u>	<u>18,006,000</u>

FA Schedule

Assets	Gross Block				Accumulated Depreciation				Net Book value				
	As at Apr 1, 2009	Adjustments on account of Amalgamation	MTW Opening Gross Block	Additions during Apr - Dec 09	Deletions during Apr - Dec 09	As at 31-Dec-09	As at Apr 1, 2009	Adjustments on account of Amalgamation	MTW Acc Deprn	Charges Apr - Dec 09	Deletion Apr - Dec 09	As at 31-Dec-09	As at December 31, 2009
Leasehold Land	424,814,890	10,047,913		0	0	424,814,890	23,507,779	12,117,233	8,726,766	0	0	32,234,545	392,580,345
Building	1,307,757,241	58,638,288	1,907,761	13,011,132	0	1,510,720,480	78,135,311	56,111,301	39,477,099	0	0	105,514,887	1,405,205,593
Leasehold Premises	849,376,961	347,889,534	193,754,328	119,826,844	61,841,218	850,642,060	416,965,936	368,349,012	113,401,277	58,461,264	2,138,649	416,640,670	434,001,390
Computer Systems	1,413,277,652	56,657,327	2,562,016	86,280,038	23,060,271	1,322,642,213	1,162,980,165	47,344,240	184,809,205	2,457,757	1,146,423,459	176,918,754	
Furniture & Fixtures	174,269,307	48,021,424		16,286,757	2,934,691	133,526,262	105,082,800	43,682,274	26,889,913	1,168,538	84,112,475	66,349,249	
Electrical Installations	188,764,779	59,572,724	10,098,410	25,928,363	1,823,985	164,847,234	100,724,512	73,764,804	42,424,284	1,280,981	204,851,426	138,389,908	
Office equipments	367,381,612	7,399,030		25,894,321	470,485	343,241,334	212,854,885	7,399,032	58,386,822	2,316,162	2,062,889	3,004,115	
Motor Vehicles	15,251,529		414,921,594	0	2,765,545	5,066,954	9,338,340		2,439,693				
Test Equipment													
<b>Total</b>	<b>4,940,873,671</b>	<b>587,916,240</b>	<b>623,244,108</b>	<b>287,117,675</b>	<b>92,896,194</b>	<b>5,170,423,020</b>	<b>2,109,609,228</b>	<b>698,768,886</b>	<b>488,380,874</b>	<b>66,823,330</b>	<b>2,441,110,695</b>	<b>2,729,312,318</b>	

## Schedules to the balance sheet (continued)

	As at		(Rs)
	December 31, 2009	March 31, 2009	As at March 31, 2009
<b>6 Investments</b>			
<b>A. Long-term investments - unquoted (fully paid equity shares)</b>			
Unquoted (fully paid equity shares)			
2,400 (previous year: 2,400) equity shares in Career Community.com Limited		1,398,216	1,398,216
643,790 (previous year: nil) Series A Convertible Preferred Stock at US\$ 0.0001 each fully paid at premium of US \$ 0.2557 each in 30 Second Software Inc		6,745,334	6,745,334
12,640 (previous year: 12,640) equity shares in Worldcast Technologies Private Limited		126,400	126,400
		8,269,950	8,269,950
Less: Provision for diminution in the value of investments		1,524,616	1,524,616
		6,745,334	6,745,334
<b>B. Current investments</b>			
Non-Trade Investments - quoted (valued at lower of cost or market value)			
	Number of Units as at		
	December 31, 2009	March 31, 2009	
HDFC Mutual Fund (74,501,081 units purchased / 60,045,797 units redeemed during the year)	18,584,571	4,129,288	186,431,128
ICICI Prudential Mutual Fund (54,032,637 units purchased / 57,385,302 units redeemed during the year)	1,896,831	5,249,496	200,561,425
Fortis Mutual Fund (17,183,791 units purchased / 26,849,863 units redeemed during the year)		9,666,072	96,690,682
IDFC Mutual Fund (121,578,790 units purchased / 122,392,554 units redeemed during the year)	7,998,800	8,812,564	80,000,000
Reliance Mutual Fund (10,724,037 units purchased / 16,291,793 units redeemed during the year)		5,567,756	107,343,547
Deutsche Mutual Fund (7,809,290 units purchased / 12,088,910 units redeemed during the year)		4,279,620	42,961,821
UTI Mutual Fund (504,065 units purchased / 488,069 units redeemed during the year)	49,971	33,975	50,009,360
HSBC Mutual Fund (96,801,110 units purchased / 99,658,311 units redeemed during the year)		2,857,201	30,778,039
Franklin Templeton Mutual Fund (45,256,183 units purchased / 40,194,478 units redeemed during the year)	13,366,969	8,305,264	204,033,988
Religare Mutual Fund - Short term Plan (15,500,159 units purchased / 23,866,972 units redeemed during the year)		8,366,813	83,943,167
JM Financial Mutual Fund (18,250,143 units purchased / 26,329,025 units redeemed during the year)		8,078,882	80,874,557
ICICI Prudential Mutual Fund (5,469,400 units purchased / 7,817,020 units redeemed during the year)		2,347,620	67,314,708
Tata Mutual Fund - Floater Fund (22,834,492 units purchased / 25,940,211 units redeemed during the year)		3,105,719	31,167,760
J P Morgan Mutual Fund - Treasury Fund (4,269,845 units purchased / 6,529,592 units redeemed during the year)		2,259,747	22,617,578
HDFC Mutual Fund (4,000,942 units purchased / 5,333,499 units redeemed during the year)		1,332,557	38,731,657
Fidelity Mutual Fund (5,734 units purchased / 1,007,594 units redeemed during the year)		1,001,860	10,021,103
Sundaram BNP Paribas Mutual Fund (19,732,391 units purchased / 14,844,037 units redeemed during the year)	4,888,354		49,064,407
Birla Sun Life Mutual Fund (38,703,872 units purchased / 19,029,795 units redeemed during the year)	19,674,077		196,874,554
			914,643,834
Less: Provision for diminution in the value of investments			-
			914,643,834

## Description

## Market Value

HDFC Mutual Fund	186,431,128	41,422,954
ICICI Prudential Mutual Fund	200,561,425	55,505,549
Fortis Mutual Fund	-	96,690,682
IDFC Mutual Fund	80,000,000	89,206,606
Reliance Mutual Fund	-	107,343,547
Deutsche Mutual Fund	-	43,804,821
UTI Mutual Fund	50,009,360	33,985,122
HSBC Mutual Fund	-	30,821,039
Franklin Templeton Mutual Fund	204,044,474	83,148,984
Religare Mutual Fund	-	83,943,167
JM High Liquidity Fund	-	80,874,557
ICICI Prudential Mutual Fund	-	67,505,000
Tata Mutual Fund	-	31,167,760
J P Morgan Mutual Fund	-	22,617,578
HDFC Mutual Fund	-	38,918,000
Fidelity Mutual Fund	-	10,021,103
Sundaram BNP Paribas Mutual Fund	49,064,407	-
Birla Sun Life Mutual Fund	196,874,554	-
	<u>966,985,347</u>	<u>916,976,469</u>

## C. Current investments - Balance IPO money

Non-Trade Investments - quoted (valued at lower of cost or market value)

	Number of Units as at		(Rs)	
	June 30, 2009	March 31, 2009	As at December 31, 2009	As at March 31, 2009
ICICI Prudential Mutual Fund	-	5,719,676	-	60,476,995
(65,805 units purchased / 5,785,481 units redeemed during the year)				
Tata Mutual Fund	-	3,132,387	-	31,435,380
(24,313 units purchased / 3,156,700 units redeemed during the year)				
			-	91,912,375
Less: Provision for diminution in the value of investments			-	91,912,375
			<u>973,720,195</u>	<u>1,013,301,543</u>

## Description

## Market Value

ICICI Prudential Mutual Fund	-	106,031,084
Tata Mutual Fund	-	105,931,893
State Bank of India Mutual fund	-	-
	-	<u>955,328,397</u>

**MindTree Limited**  
**Schedules to the consolidated balance sheet (continued)**

	As at December 31, 2009	(Rs) As at March 31, 2009
<b>7. Sundry debtors</b>		
<i>(Unsecured)</i>		
Debits outstanding for a period exceeding six months		
- considered good	63,646,232	55,541,600
- considered doubtful	305,097,990	268,155,002
Other debts		
- considered good	2,208,092,146	2,736,804,304
- considered doubtful	-	715,389
<i>Less: Provision for doubtful debts</i>	<u>297,953,253</u>	<u>268,870,391</u>
	<u><b>2,278,883,115</b></u>	<u><b>2,792,345,904</b></u>
<b>8. Cash and bank balances</b>		
Cash on hand	265,130	94,455
Balances with scheduled banks		
Current accounts	98,757,863	143,931,438
Deposit accounts	147,274,471	116,411,790
Balances with non-scheduled banks - in current accounts		
Wachovia Bank, N.A., USA	-	5,897,914
HSBC Bank, Swindon, UK	8,381,824	1,569,919
Deutsche Bank, Singapore	1,239,725	571,742
Bank of Tokyo, Mitsubishi	3,090,439	13,977,136
Silicon Valley Bank, USA	137,014,672	96,967,134
HSBC Dubai	1,328,759	968,330
HSBC Germany	3,152,870	4,731,868
May Bank, Malaysia	349,728	349,728
UBS, Basel	1,242,895	2,436,230
HSBC, Australia	4,052,854	528,548
HSBC, Singapore	21,541,753	4,007,453
HSBC, Netherlands	2,511,039	9,951,823
National Westminster Bank, London	776,919	777,644
Bank of America, California, U.S.A	2,208,054	4,900,163
Silicon Valley Bank, California, U.S.A	5,734,540	3,692,445
Wells Fargo, Seattle, U.S.A	6,369,894	72,121,610
Bank of America, California, U.S.A	8,959,005	2,292,472
HSBC, Canada	121,503	
Balances with non-scheduled banks - in deposit accounts		
Silicon Valley Bank, California, U.S.A	-	1,401,125
	<u><b>454,373,937</b></u>	<u><b>487,580,966</b></u>



MindTree Limited  
Schedules to the consolidated balance sheet (continued)

	As at December 31, 2009	As at June 30, 2009
<b>9. Loans and advances</b>		
<i>(Unsecured, considered good unless otherwise stated)</i>		
Advances recoverable in cash or in kind or for value to be received	821,582,958	780,357,817
Unbilled revenue	356,515,191	294,870,090
Advance tax and tax deducted at source, net of provision for taxes	412,480,922	332,613,605
MAT credit entitlement	103,254,095	3,264,717
	<u>1,693,833,166</u>	<u>1,411,106,229</u>
<b>10. Current liabilities</b>		
Advances from customers	43,112,114	44,089,722
Interest accrued but not due	236,178	3,635,808
Unearned revenue	83,834,536	47,547,930
Sundry creditors		
- dues to other than micro and small enterprises		
Expenses	82,612,554	169,710,668
Capital goods	22,862,906	46,467,642
Other liabilities	1,831,528,393	2,470,081,193
Unclaimed dividend	2,240,046	1,988,236
Book overdraft	-	76,390,887
	<u>2,066,426,727</u>	<u>2,859,912,086</u>
<b>11. Provisions</b>		
Proposed dividend	-	-
Provision for gratuity	19,341,136	7,369,572
Leave encashment	127,773,932	142,827,714
Post contract support services	10,000,000	10,000,000
Provision for discount	72,832,398	51,354,403
Provision for foreseeable loss on contracts	36,787,599	-
Provision for		
tax on dividend	-	-
fringe benefit tax, net of taxes paid	-	-
foreign taxes	88,653,155	10,741,315
	<u>355,388,220</u>	<u>222,293,004</u>

**MindTree Limited**  
**Schedules to the consolidated profit and loss account**

	For the period ended December 31, 2009	(Rs) For the year ended March 31, 2009
<b>12. Other income</b>		
Interest on deposits	8,112,480	15,957,930
Profit on sale of investments	11,134,706	5,750,038
Profit from sale of fixed assets, net	-	18,920,283
Dividend from investments	23,303,170	71,071,077
Exchange gain, net	508,008,299	-
Miscellaneous income	22,070,340	3,490,170
	<u>572,628,995</u>	<u>115,189,498</u>
<b>13. Software development expenses</b>		
Salary and allowances	4,338,570,066	4,855,453,214
Contribution to provident and other funds	386,589,735	453,700,996
Staff welfare	40,359,454	76,722,319
Travel and conveyance	359,497,149	728,840,068
Communication expenses	48,900,381	70,201,947
Sub-contractor charges	237,884,968	260,631,934
Software purchases	30,240,347	19,644,784
Computer consumables	192,975,914	251,099,130
Rent	180,193,082	252,025,662
Post contract support services	-	(480,060)
	<u>5,815,211,096</u>	<u>6,967,839,994</u>
<b>14. Administrative and other expenses</b>		
Salary and allowances	950,022,000	939,409,431
Contribution to provident and other funds	46,030,713	37,981,579
Travel and conveyance	93,944,733	136,216,843
Power and fuel	113,946,606	151,694,894
Rent	68,002,034	38,756,502
Lease rentals/charges	14,667,224	22,093,258
Telephone charges	56,014,852	93,288,567
Printing and stationery	12,257,712	22,208,210
Office maintenance	38,941,006	82,540,338
Staff training expenses	24,296,929	41,521,786
Advertisement	1,525,394	4,554,960
Bank charges	4,034,416	18,748,005
Insurance	15,560,927	15,610,612
Rates and taxes	30,627,683	28,502,099
Auditor's remuneration	7,226,332	9,392,755
Recruitment expenses	25,278,822	65,362,284
Repairs and maintenance		
- Plant and machinery	12,765,422	19,529,325
- Others	4,304,790	3,147,667
Marketing expenses	50,090,159	61,115,854
Donations	296,810	5,286,180
Legal and professional expenses	107,682,058	135,786,080
Loss on sale of fixed assets	2,217,368	-
Provision for diminution in the value of investments	-	-
Provision for bad and doubtful debts	30,307,591	80,624,135
Bad debts written off	16,853,642	-
Provision for foreseeable loss on contracts	36,787,599	-
Provision for diminution in the value of loans and advances	4,651,500	-
Miscellaneous expenses	109,268,414	84,015,020
	<u>1,877,602,736</u>	<u>4,186,621,946</u>
<b>15. Interest</b>		
Interest on term loans	11,575,546	108,611,090
Interest on short term credit / finance charges	13,889,408	53,380,470
	<u>25,464,954</u>	<u>161,991,560</u>