

MindTree Limited
Consolidated balance sheet

(Rs in Million)
As at
March 31, 2010

	Schedule	As at Dec 31, 2010	As at March 31, 2010
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	1	399	395
Share application money		-	-
Reserves and surplus	2	6,999	6,311
		<u>7,398</u>	<u>6,706</u>
Loan funds			
Unsecured loans	3	43	31
		<u>7,441</u>	<u>6,737</u>
APPLICATION OF FUNDS			
Fixed assets			
Gross block	4	5,553	5,133
Less: Accumulated depreciation		-2,439	-2,521
Net block		<u>3,114</u>	<u>2,612</u>
Capital work-in-progress		<u>28</u>	<u>247</u>
		<u>3,142</u>	<u>2,859</u>
Goodwill		-	154
Investments	5	962	1,442
Deferred tax assets, net		223	214
Current assets, loans and advances			
Sundry debtors	6	2,728	2,370
Cash and bank balances	7	414	403
Loans and advances	8	2,309	1,898
		<u>5,451</u>	<u>4,671</u>
Current liabilities and provisions			
Current liabilities	9	1,941	2,114
Provisions	10	397	490
Net current assets		<u>3,114</u>	<u>2,068</u>
		<u>7,441</u>	<u>6,737</u>

MindTree Limited
Consolidated profit and loss account

(Rs in Million)

	Schedule	For the qtr ended		For the nine months ended	
		Dec 31, 2010	Dec 31, 2009	Dec 31, 2010	Dec 31, 2009
Income					
Income from software development					
- Overseas		3,504	3,074	10,208	8,847
- Domestic		344	244	971	669
		<u>3,848</u>	<u>3,318</u>	<u>11,178</u>	<u>9,516</u>
Expenditure					
Cost of services and sales	11	2,586	2,035	7,455	5,852
Administrative and other expenses	12	813	626	2,386	1,841
		<u>3,399</u>	<u>2,661</u>	<u>9,841</u>	<u>7,693</u>
Operating profit before interest, depreciation, other income and tax		449	657	1,337	1,823
Interest	13	1.2	0.6	1.6	25
Depreciation & amortisation	4	206	168	528	488
Operating profit before tax and other income		242	489	807	1,310
Other income	14	95	202	141	573
Profit before tax		337	691	949	1,882
Provision for taxation		24	171	263	322
Deferred tax charge/ (credit)		9	-26	-10	-43
MAT credit entitlement		-	8	-	-
Net profit after tax		305	538	696	1,604
Dividend					
Interim		0	0	50	39
Proposed		-	-	-	-
Total dividend		0	0	50	39
Dividend tax		0	0	8	7
Amount transferred to general reserve		0	-	20	-
		<u>305</u>	<u>538</u>	<u>617</u>	<u>1,558</u>
Earnings per share					
(Equity shares, par value Rs 10 each)					
Basic		7.66	13.70	17.52	40.95
Diluted		7.46	13.09	17.00	39.52
Weighted average number of shares used in computing earnings per share					
Basic		39,822,097	39,247,099	39,708,444	39,169,692
Diluted		40,883,863	41,075,372	40,926,845	40,583,400

MindTree Limited
Consolidated cash flow statement

(Rs in Million)

For the nine months ended
Dec 31, 2010 **Dec 31, 2009**

Cash flow from operating activities

Profit before tax	949	1,882
Adjustments for :		
Depreciation & amortisation	528	488
Amortization of stock compensation	0.6	5
Interest expense	1.6	25
Interest / dividend income	-48	-31
(Profit)/Loss on sale of fixed assets	-0.4	2
Profit on sale of investments	-0.3	-12
Provision for diminution in the value of investments	0.0	1
Exchange difference on derivatives	-87	-912
Effect of exchange differences on translation of foreign currency cash and cash equivalents	-1	16
Operating profit before working capital changes	<u>1,341</u>	<u>1,465</u>
Decrease/ (increase) in sundry debtors	-358	545
Decrease/ (increase) in loans and advances	-272	-59
Increase/ (decrease) in current liabilities and provisions	7	159
Income taxes and FBT paid	<u>-455</u>	<u>-346</u>
<i>Net cash provided by operating activities</i>	<u>264</u>	<u>1,765</u>

Cash flow from investing activities

Purchase of fixed assets	-745	-237
Proceeds from sale of fixed assets	3	-107
Purchase of business/acquisition	-	-292
Interest /dividend received from investments	50	31
Inter-corporate advances granted	-	-
Purchase of investments	-5,916	-7,312
Sale/maturities of investments	<u>6,397</u>	<u>7,351</u>
<i>Net cash used in investing activities</i>	<u>-211</u>	<u>-567</u>

Cash flow from financing activities

Issue of share capital (net of issue expenses paid)	96	49
Interest paid on loans	-1.6	-25
Proceeds from term loans	-	82
Repayment of loans	13	-926
Proceeds / (repayments) of other loans, net	-	-437
Dividends paid (including distribution tax)	<u>-150.9</u>	<u>-46</u>
<i>Net cash (used in)/ provided by financing activities</i>	<u>-44</u>	<u>-1,304</u>

Effect of exchange differences on translation of foreign
currency cash and cash equivalents

1 -16

Net (decrease)/ increase in cash and cash equivalents

10 -121

**Cash and cash equivalents of MindTree Wireless Private Limited as on the
date of acquisition**

- 76

Cash and cash equivalents at the beginning of the period

403 379

Cash and cash equivalents at the end of the period

414 **334**

MindTree Limited
Schedules to the consolidated balance sheet

	(Rs in Million)	
	As at	As at
	Dec 31, 2010	March 31, 2010
1. Share capital		
Authorised capital		
79,620,000 equity shares of Rs 10 each	796	796
(previous year 79,620,000 equity shares of Rs 10 each)		
Issued, subscribed and paid-up capital		
39,874,161 equity shares of Rs 10 each fully paid	399	395
(previous year: 39,514,994 equity shares of Rs 10 each)		
(of the above shares, 1,300,965 equity shares of Rs. 10 each fully paid up were allotted at a premium of Rs. 201.50 to the shareholders of erstwhile Aztecsoft Limited for consideration other than cash pursuant to the scheme of amalgamation)		
	<u>399</u>	<u>395</u>
2. Reserves and surplus		
Capital reserve		
At the commencement of the year	2	0
Additions during the year	-	2
	<u>2</u>	<u>2</u>
Securities premium account		
At the commencement of the year	1,497	2,552
Additions during the year		
Allotment of shares to shareholders of Aztecsoft Limited in accordance with the scheme of Amalgamation	-	262
On exercise of employee stock options	92	90
	<u>1,589</u>	<u>2,904</u>
Deductions during the year		
Adjustment of goodwill arising on amalgamation of Aztecsoft Limited in accordance with scheme of amalgamation.	-	-1,407
	<u>1,589</u>	<u>1,497</u>
General reserve		
At the commencement of the year	410	202
Add: Transfer from profit and loss account	20	208
	<u>430</u>	<u>410</u>
Stock option outstanding account	47	50
Add: Deferred employee compensation expense	0.6	-2
	<u>48</u>	<u>47</u>
Hedge reserve		
At the commencement of the year	118	-98
Additions during the year	-11	217
	<u>107</u>	<u>118</u>
Profit and loss account		
At the commencement of the year	4,237	2,435
Adjustments on account of merger of MWPL	-31	0
Additions during the year	617	1,802
	<u>4,823</u>	<u>4,237</u>
	<u>6,999</u>	<u>6,311</u>

MindTree Limited
Schedules to the consolidated balance sheet (continued)

	As at Dec 31, 2010	As at March 31, 2010
3 Unsecured loans		
Council for Scientific and Industrial Research	43	31
	<u>43</u>	<u>31</u>

MindTree Limited

Schedules to the consolidated balance sheet (continued)

4. Fixed assets

(Rs. In Million)

Assets	Gross block				Accumulated depreciation				Net book value	
	As at April 1, 2010	Additions during the year	Deletions/ (Adjustments)*	As at Dec 31, 2010	As at April 1, 2010	For the year	Deletions/ (Adjustments) during the year*	As at Dec 31, 2010	As at Dec 31, 2010	As at March 31, 2010
Leasehold land	425	0	0	425	35	9	0	44	381	390
Buildings	1,511	116	0	1,626	119	41	0	160	1,467	1,392
Leasehold improvements	797	204	6	995	396	114	5	506	490	401
Computer systems (including software)	1,339	350	200	1,488	1,189	173	200	1,161	327	150
Test equipment	413	149	359	203	359	49	359	49	154	54
Furniture and fixtures	134	14	6	142	89	20	6	103	38	45
Electrical installations	164	48	3	209	110	37	3	145	65	54
Office equipment	346	58	19	386	222	54	17	259	126	124
Motor vehicles	5	0	1	4	2	1	1	3	1	2
Intellectual Property	0	67	0	67	0	9	0	9	58	0
Plant and Machinery	0	8	0	8	0	1	0	1	7	0
Total	5,133	1,013	593	5,553	2,521	508	590	2,439	3,114	2,612

MindTree Limited

Schedules to the consolidated balance sheet (continued)

	As at Dec 31, 10	(Rs) As at March 31, 2010		
5. Investments				
A. Long-term investments - unquoted (fully paid equity shares)				
Unquoted (fully paid equity shares)				
2,400 (previous year: 2,400) equity shares in Career Community.com Limited	1	1		
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	7	7		
12,640 (previous year: 12,640) equity shares in Worldcast Technologies Private Limited	0	0		
	<u>8</u>	<u>8</u>		
Less: Provision for diminution in the value of investments	<u>2</u>	<u>2</u>		
	<u>7</u>	<u>7</u>		
B. Current investments				
I Non-Trade Investments - quoted (valued at lower of cost or market value)				
	Number of Units as at			
	December 31, 2010	March 31, 2010		
HDFC Mutual Fund <i>(158,663 units purchased / 18,917,620 units redeemed during the year)</i>	0	19	0	188
ICICI Prudential Mutual Fund <i>(6,814,539 units purchased / 8,729,142 units redeemed during the year)</i>	0	2	0	202
IDFC Mutual Fund <i>(67,321,250 units purchased / 63,863,913 units redeemed during the year)</i>	11	7	106	71
UTI Mutual Fund <i>(20,173,928 units purchased / 28,285,350 units redeemed during the year)</i>	0	8	0	192
HSBC Mutual Fund <i>(168,067,252 units purchased / 179,938,616 units redeemed during the year)</i>	0	12	0	120
Franklin Templeton Mutual Fund <i>(225,325 units purchased / 8,599,637 units redeemed during the year)</i>	5	13	51	206
DSP Blackrock Mutual Fund <i>(3,162,680 units purchased / 162,680 units redeemed during the year)</i>	11	8	105	75
Birla Sun Life Mutual Fund <i>(96,324,496 units purchased / 103,779,624 units redeemed during the year)</i>	14	21	137	211
Reliance Mutual Fund <i>(18,923,646 units purchased / 12,408,430 units redeemed during the year)</i>	7	0	65	0
Tata Mutual Fund <i>(15,671,340 units purchased / 31,407 units redeemed during the year)</i>	16	0	156	0
Axis Mutual Fund <i>(2,300,000 units purchased / 2,300,000 units redeemed during the year)</i>	0	0	0	0
L&T Mutual Fund <i>(12,949,494 units purchased / 6,471,627 units redeemed during the year)</i>	6	0	65	0
Sundaram BNP Paribas Mutual Fund <i>(39,658,466 units purchased / 39,658,466 units redeemed during the year)</i>	0	0	0	0
			<u>685</u>	<u>1,266</u>
Less: Provision for diminution in the value of investments			<u>0</u>	<u>0</u>
			<u>685</u>	<u>1,266</u>
<i>Description</i>			<i>Market Value</i>	
HDFC Mutual Fund			0	188
ICICI Prudential Mutual Fund			0	202
IDFC Mutual Fund			107	71
UTI Mutual Fund			0	192
HSBC Mutual Fund			0	120
Franklin Templeton Mutual Fund			53	207
DSP Blackrock Mutual Fund			109	75
Birla Sun Life Mutual Fund			137	211
Reliance Mutual Fund			66	0
Tata Mutual Fund			157	0
Axis Mutual Fund			0	0
L&T Mutual Fund			65	0
Sundaram BNP Paribas Mutual Fund			0	0
			<u>694</u>	<u>1,267</u>
II. Non-Trade Investments - unquoted (Term Deposits)				
HDFC Limited			170	120
Janalakshmi Financial Services Private Limited			100	50
			<u>270</u>	<u>170</u>
			<u>962</u>	<u>1,442</u>

MindTree Limited
Schedules to the consolidated balance sheet (continued)

	(Rs in Million)	
	As at	As at
	Dec 31, 2010	March 31, 2010
6 Sundry debtors		
<i>(Unsecured)</i>		
Debits outstanding for a period exceeding six months		
- considered good		
- considered doubtful		
Debits		
- considered good	2,725	2,370
- considered doubtful	37	37
Less: Provision for doubtful debts	34	37
	<u>2,728</u>	<u>2,370</u>
7 Cash and bank balances		
Cash on hand	0	0
Balances with scheduled banks		
Current accounts	171	41
Deposit accounts	73	201
Balances with non-scheduled banks - in current accounts		
HSBC Bank , Swindon, UK	9	8
Bank of Tokyo, Mitsubishi	2	3
Silicon Valley Bank, USA	127	73
HSBC, Dubai	2	4
HSBC, Germany	6	8
UBS, Basel	0	1
HSBC, Australia	5	10
HSBC, Singapore	6	6
HSBC, Netherlands	3	3
National Westminster Bank, UK	0	1
Wells Fargo, Seattle, USA	0	16
HSBC, Canada	6	6
SCB, Republic of China	3	22
	<u>414</u>	<u>403</u>

MindTree Limited
Schedules to the consolidated balance sheet (continued)

	(Rs in Million)	
	As at	As at
	Dec 31, 2010	March 31, 2010
8 Loans and advances		
<i>(Unsecured, considered good unless otherwise stated)</i>		
Advances recoverable in cash or in kind or for value to be received	1,142	875
Unbilled revenue	367	373
Advance tax and tax deducted at source, net of provision for taxes	692	545
MAT credit entitlement	108	105
	<u>2,309</u>	<u>1,898</u>
9 Current liabilities		
Advances from customers	60	39
Interest accrued but not due	0	0
Unearned revenue	50	67
Sundry creditors		
Expenses	94	87
Capital goods	88	39
Other liabilities	1,591	1,840
Unclaimed dividend	3	2
Book overdraft	54	40
	<u>1,941</u>	<u>2,114</u>
10 Provisions		
Proposed dividend	0	79
Provision for gratuity	34	3
Compensated absences	157	125
Post contract support services	5	5
Provision for discount	48	50
Provision for foreseeable loss on contracts	5	24
Provision for		
tax on dividend	0	13
foreign taxes	148	190
	<u>397</u>	<u>490</u>

MindTree Limited
Schedules to the consolidated profit and loss account

	(Rs in Million)			
	For the qtr ended		For the nine months ended	
	Dec 31, 2010	Dec 31, 2010	Dec 31, 2010	Dec 31, 2009
11 Cost of services and sales				
Salary and allowances	1,920	1,495	5,455	4,339
Contribution to provident and other funds	163	172	526	387
Staff welfare	20	17	57	40
Travel and conveyance	198	108	532	359
Communication expenses	10	11	28	49
Sub-contractor charges	97	85	332	238
Software purchases	21	12	44	30
Computer consumables	73	52	213	193
Rent	60	60	177	180
Post contract support services	0	0	0	0
Provision for foreseeable loss on contracts	-5	23	-10	37
Raw materials consumed	-3	0	3	
Outsourced technical services	31	0	99	
	<u>2,586</u>	<u>2,035</u>	<u>7,455</u>	<u>5,852</u>
12 Administrative and other expenses				
Salary and allowances	390	317	1,156	950
Contribution to provident and other funds	13	15	46	46
Travel and conveyance	57	34	154	94
Power and fuel	44	40	131	114
Rent	29	22	90	68
Lease rentals/charges	20	6	41	15
Telephone charges	22	22	64	56
Printing and stationery	4	2	14	12
Office maintenance	24	10	64	39
Exchange loss, net	0	0	0	0
Staff training expenses	15	10	36	24
Advertisement	3	0	6	2
Bank charges	2	1	6	4
Insurance	5	5	16	16
Rates and taxes	-9	2	2	31
Auditor's remuneration	3	3	9	7
Recruitment expenses	41	9	145	25
Repairs and maintenance				0
- Plant and machinery	4	9	8	13
- Others	16	2	32	4
Marketing expenses	36	13	79	50
Donations	1	0	1	0
Legal and professional expenses	56	46	135	108
Loss from sale of Investments	0	0	0	0
Loss on sale of fixed assets	0	2	0	2
Provision for diminution in the value of investments	0	0	0	0
Provision for bad and doubtful debts	6	1	2	30
Bad debts written off	0	0	0	17
Provision for doubtful advances	0	5	41	5
Miscellaneous expenses	32	50	107	109
	<u>813</u>	<u>626</u>	<u>2,386</u>	<u>1,841</u>
13 Interest				
Interest on term loans	1	0	2	12
Interest on short term credit / finance charges	0	1	0	14
	<u>1</u>	<u>1</u>	<u>2</u>	<u>25</u>
14 Other income				
Interest on deposits	6	3	18	8
Profit on sale of investments	0	0	0	11
Profit from sale of fixed assets, net	0	0	0	0
Dividend from investments	10	9	30	23
Exchange gain, net	79	174	82	508
Miscellaneous income	1	16	10	22
	<u>95</u>	<u>202</u>	<u>141</u>	<u>573</u>