



Mindtree Limited

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AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2017

Rs in million, except per share data

Particulars	Quarter ended			Six months ended		Year ended
	September 30, 2017	June 30, 2017*	September 30, 2016*	September 30, 2017	September 30, 2016*	March 31, 2017*
Revenue from operations	13,037	12,490	12,476	25,527	25,257	50,396
Other income (Refer note 4)	596	654	169	1,250	368	553
Total income	13,633	13,144	12,645	26,777	25,625	50,949
Expenses						
Employee benefits expense	8,526	8,058	8,121	16,584	16,129	32,438
Finance costs	25	39	47	64	98	191
Depreciation and amortisation expense	408	420	424	828	854	1,703
Other expenses	2,744	3,010	2,682	5,754	5,532	10,773
Total expenses	11,703	11,527	11,274	23,230	22,613	45,105
Profit before tax	1,930	1,617	1,371	3,547	3,012	5,844
Tax expense:						
Current tax	454	386	382	840	846	1,577
Deferred tax	(45)	(16)	(45)	(61)	(123)	(193)
Net profit for the period	1,521	1,247	1,034	2,768	2,289	4,460
Other comprehensive income						
A. (i) Items that will not be reclassified to profit or loss	(32)	6	(23)	(26)	(23)	(14)
(ii) Income tax relating to items that will not be reclassified to profit or loss	6	(1)	4	5	4	3
B. Items that will be reclassified to profit or loss	2	125	(182)	127	(338)	(555)
Total other comprehensive income	(24)	130	(201)	106	(357)	(566)
Total comprehensive income for the period	1,497	1,377	833	2,874	1,932	3,894
Paid up equity share capital (face value Rs. 10/- each)	1,639	1,681	1,680	1,639	1,680	1,680
Reserves	24,283	25,945	23,957	24,283	23,957	24,521
Earnings per share:						
Basic EPS (Rs.)	9.09	7.42	6.16	16.51	13.64	26.56
Diluted EPS (Rs.)	9.07	7.41	6.15	16.48	13.61	26.51

* Refer note 2

AUDITED SEGMENT WISE REVENUE AND RESULTS

Particulars	Quarter ended			Six months ended		Year ended
	September 30, 2017	June 30, 2017*	September 30, 2016*	September 30, 2017	September 30, 2016*	March 31, 2017*
Segment revenue						
Retail, CPG and Manufacturing	3,081	2,822	2,939	5,903	5,937	11,739
Banking, Financial Services and Insurance	3,210	3,176	3,124	6,386	6,327	12,582
Technology, Media and Services	4,823	4,634	4,563	9,457	9,169	18,335
Travel and Hospitality	1,923	1,858	1,850	3,781	3,824	7,740
Total	13,037	12,490	12,476	25,527	25,257	50,396
Segment results						
Retail, CPG and Manufacturing	389	162	350	551	834	1,541
Banking, Financial Services and Insurance	273	282	300	555	648	1,161
Technology, Media and Services	934	784	923	1,718	1,810	3,755
Travel and Hospitality	171	194	100	365	304	863
Total	1,767	1,422	1,673	3,189	3,596	7,320
Unallocable						
Expenses	408	420	424	828	854	1,838
Finance costs	25	39	47	64	98	191
Other income	596	654	169	1,250	368	553
Profit before tax	1,930	1,617	1,371	3,547	3,012	5,844

* Refer note 2

Notes on segment information

Principal segments

The Company is structured into four industry verticals – Retail, CPG and Manufacturing (RCM), Banking, Financial Services and Insurance (BFSI), Technology, Media and Services (TMS) and Travel and Hospitality (TH). Accordingly, the Company has presented its segment results under these business segments.

Segment assets and liabilities

Segregation of assets, liabilities, depreciation and other non-cash expenses into various business segments has not been carried out as the assets are used interchangeably between segments. Accordingly, no disclosure relating to segment assets and liabilities has been made.

AUDITED STANDALONE BALANCE SHEET

Particulars	<i>Rs in million</i>		
	As at		
	September 30, 2017	March 31, 2017*	April 1, 2016*
ASSETS			
Non-current assets			
Property, plant and equipment	3,329	3,771	4,131
Capital work in progress	298	192	232
Goodwill	2,831	2,769	3,074
Other intangible assets	986	1,148	1,684
Financial assets			
Investments	3,403	3,036	3,040
Loans	687	667	655
Other financial assets	-	209	189
Deferred tax assets (net)	555	605	411
Other non-current assets	1,426	1,326	1,327
	13,515	13,723	14,743
Current assets			
Financial assets			
Investments	6,330	5,869	2,266
Trade receivables	9,044	8,715	9,407
Cash and cash equivalents	1,492	2,468	2,301
Loans	15	12	38
Other financial assets	3,259	2,192	2,726
Other current assets	887	986	1,109
	21,027	20,242	17,847
TOTAL ASSETS	34,542	33,965	32,590
EQUITY AND LIABILITIES			
Equity			
Equity share capital	1,639	1,680	1,678
Other equity	24,283	24,521	22,572
	25,922	26,201	24,250
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	9	13	18
Other financial liabilities	-	195	747
Other non current liabilities	82	71	91
	91	279	856
Current liabilities			
Financial liabilities			
Borrowings	2,474	942	400
Trade payables	1,474	1,557	1,767
Other financial liabilities	1,692	2,493	2,713
Other current liabilities	1,275	1,065	968
Provisions	1,217	1,105	1,289
Current tax liabilities (net)	397	323	347
	8,529	7,485	7,484
	8,620	7,764	8,340
TOTAL EQUITY AND LIABILITIES	34,542	33,965	32,590

*Refer note 2

Notes to audited standalone financial results for the quarter and six months ended September 30, 2017

1 The above results were reviewed by the Audit Committee and thereafter have been adopted by the Board at its meeting held on October 25, 2017.

2 During the quarter ended September 30, 2017, the Reserve Bank of India has approved the proposal to transfer the business and net assets ("the Scheme") of the Company's wholly owned subsidiary, Bluefin Solutions Limited, UK ("Bluefin") to the Company against cancellation and extinguishment of the Company's investment in Bluefin. The Company has given effect to this Scheme during the quarter and has accounted it under the 'pooling of interests' method based on the carrying value of the assets and liabilities of Bluefin as included in the consolidated Balance Sheet of the Company for the comparative periods.

During the quarter ended June 30, 2017, the National Company Law Tribunal (NCLT) had approved the Composite Scheme of Amalgamation ("the Scheme") of Discoverure Solutions L.L.C. and Relational Solutions Inc., wholly owned subsidiaries of the Company (together "the Transferor Companies"), with the Company with an appointed date of April 1, 2015. The Company had given effect to the Scheme during the quarter ended June 30, 2017 and the merger has been accounted under the 'pooling of interests' method based on the carrying value of the assets and liabilities of the Transferor Companies as included in the consolidated Balance Sheet of the Company as at the beginning of April 1, 2015.

Since both the above transactions result in a common control business combination, considering the requirements of Ind AS 103 – Business Combinations, the accounting for the transactions has been given effect retrospectively by the Company. Accordingly, the results for the corresponding periods in 2016-17, year ended March 31, 2017 and for the quarter ended June 30, 2017 have been restated to give effect to the above schemes.

The audited standalone financial results for the comparative periods as previously published are as follows:

Particulars	<i>Rs in million</i>			
	Quarter ended		Six months ended	Year ended
	June 30, 2017	September 30, 2016	September 30, 2016	March 31, 2017
Revenues	12,028	11,774	23,805	47,526
Profit before tax	1,882	1,472	3,319	6,317
Profit after tax	1,499	1,141	2,575	4,891

The audited standalone total assets, liabilities and equity for the comparative periods as previously published are as follows:

Particulars	<i>Rs in million</i>	
	Year ended	
	March 31, 2017	April 01, 2016
Total assets	34,794	32,377
Total liabilities	7,216	7,736
Total equity	27,578	24,641

3 During the quarter, the Company has bought back 4,224,000 equity shares of Rs 10 each on a proportionate basis, at a price of Rs 625 per equity share for an aggregate consideration of Rs 2,640 million (Rupees Two thousand six hundred and forty million only), and completed the extinguishment of the equity shares bought back. Capital redemption reserve has been created to the extent of nominal value of share capital extinguished amounting to Rs.42 million. The buyback and creation of capital redemption reserve was effected by utilizing the securities-premium reserve and free reserves.

4 During the quarter, the Company has discharged earn out towards acquisition of business to the erstwhile shareholders of Bluefin and has reassessed the remaining liability. Consequently, Rs 303 million representing liability for earn out has been written back and recognised under other income.

During the quarter ended June 30, 2017, the Company had entered into a payment resolution agreement with the erstwhile shareholders of Magnet 360 LLC. Consequently, Rs 374 million representing liability for earn out was written back and recognised under other income in the previous quarter.

5 The Board of Directors at its meeting held on October 06, 2017 have approved the Scheme of Amalgamation ("the Scheme") of its wholly owned subsidiary, Magnet 360 LLC with the Company with an appointed date of April 01, 2017. The Company is in the process of filing an application with the National Company Law Tribunal (NCLT). The Scheme will come into effect on approval from NCLT and other statutory authorities as may be required.

6 The Board of Directors at its meeting held on October 25, 2017 have recommended an interim dividend of 20% (Rs 2 per equity share of par value Rs 10 each) and a special dividend of 20% (Rs 2 per equity share of par value Rs 10 each) on completion of ten years of Initial Public Offering (IPO).

7 EPS for the quarter and six months ended September 30, 2017 is not annualized.

8 The statement of financial results have been audited by the Company's auditors. The Company's auditors have issued an unmodified audit opinion on the financial results. The audit report has been filed with the stock exchanges and is also available on the Company's website.

For and on behalf of the Board
For Mindtree Limited

Bengaluru, India
October 25, 2017

Rostow Ravanan
CEO & Managing Director