

MindTree Limited
Balance sheet

		(Rs in Million)	
	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	7,001	6,065
		7,400	6,460
Loan funds			
Unsecured loans	3	43	31
		7,443	6,491
APPLICATION OF FUNDS			
Fixed assets			
Gross block	4	5,553	4,512
Less: Accumulated depreciation		-2,439	-1,973
Net block		3,114	2,539
Capital work-in-progress		28	242
		3,142	2,781
Investments	5	985	2,133
Deferred tax assets, net		223	158
Current assets, loans and advances			
Sundry debtors	6	2,729	2,218
Cash and bank balances	7	394	349
Loans and advances	8	2,302	1,785
		5,425	4,351
Current liabilities and provisions			
Current liabilities	9	1,942	2,495
Provisions	10	390	438
Net current assets		3,093	1,418
		7,443	6,491
		7,443	6,491

MindTree Limited
Profit and loss account

	Schedule	(Rs in Million)			
		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	2,851	10,208	8,431
- Domestic		344	244	971	669
		<u>3,848</u>	<u>3,095</u>	<u>11,178</u>	<u>9,100</u>
Expenditure					
Software development expenses	11	2,586	1,897	7,455	5,774
Administrative and other expenses	12	812	602	2,385	1,638
		<u>3,398</u>	<u>2,499</u>	<u>9,840</u>	<u>7,412</u>
Operating profit before interest, depreciation, other income and tax		450	596	1,339	1,688
Interest	13	1	0	2	25
Depreciation & amortisation	4	206	149	528	464
Operating profit before tax and other income		243	448	809	1,199
Other income	14	94	207	361	602
Profit before tax		337	654	1,170	1,801
Provision for taxation		24	167	270	310
Deferred tax charge/ (credit)		9	-25	-10	-42
MAT credit entitlement		-	8	-	-
Net profit after tax		305	505	910	1,533
Balance in profit and loss account brought forward		<u>4,482</u>	<u>3,203</u>	<u>3,955</u>	<u>2,221</u>
		<u>0</u>			
Amount available for appropriation		<u>4,787</u>	<u>3,708</u>	<u>4,865</u>	<u>3,754</u>
Dividend					
Interim		0	-	50	39
Proposed		-	-	-	-
Total dividend		<u>0</u>	<u>-</u>	<u>50</u>	<u>39</u>
Dividend tax		0	-	8	7
Amount transferred to general reserve		0	-	20	-
Balance in profit and loss account carried forward		<u>4,787</u>	<u>3,708</u>	<u>4,787</u>	<u>3,708</u>
Earnings per share					
(Equity shares, par value Rs 10 each)					
Basic		7.66	12.86	22.92	39.14
Diluted		7.46	12.29	22.24	37.77
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
Cash flow statement

(Rs in Million)

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

Cash flow from operating activities		
<i>Net cash provided by operating activities</i>	<u>337</u>	<u>1,951</u>
Cash flow from investing activities		
<i>Net cash used in investing activities</i>	<u>-211</u>	<u>-566</u>
Cash flow from financing activities		
<i>Net cash (used in)/ provided by financing activities</i>	<u>-114</u>	<u>-1,384</u>
Effect of exchange differences on translation of foreign currency cash and cash equivalents	1	-14
Net (decrease)/ increase in cash and cash equivalents	13	-13
Cash and cash equivalents of Aztecsoft Limited/MindTree Wireless Private Limited at the beginning of the year*	32	117
Cash and cash equivalents at the beginning of the period	<u>349</u>	<u>180</u>
Cash and cash equivalents at the end of the period	<u>394</u>	<u>283</u>

MindTree Limited
Schedules to the balance sheet

	As at Dec 31, 2010	(Rs in Million) As at 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	-
Additions during the year	0	2
	<u>2</u>	<u>2</u>
Securities premium account		
At the commencement of the year	1,535	2,544
Additions during the year		
Allotment of shares to shareholders of Aztecsoft Limited in accordance with the scheme of Amalgamation	0	262
On exercise of employee stock options	92	90
	<u>1,627</u>	<u>2,895</u>
Deductions during the year		
Adjustment of goodwill arising on amalgamation of Aztecsoft Limited in accordance with scheme of amalgamation.	0	-1,360
	<u>1,627</u>	<u>1,535</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		
At the commencement of the year	47	50
Add: Deferred employee compensation expense	1	-2
	<u>48</u>	<u>47</u>
Hedge reserve		
At the commencement of the year	115	-85
Additions during the year	-8	200
	<u>107</u>	<u>115</u>
Balance in profit and loss account	4,787	3,955
	<u>7,001</u>	<u>6,065</u>

MindTree Limited
Schedules to the balance sheet (continued)

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	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 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	7	7		
12,640 (previous year: 12,640) equity shares in Worldcast Technologies Private Limited	0	0		
412,500 (previous year: 412,500) equity shares of Rs 10 each in MindTree Wireless Private Limited	-	437		
Investment in MindTree Software (Shenzhen) Co., Ltd.	23	23		
Nil (previous year: 357,142,851) common stock of Aztec Software Inc., U.S.A. a wholly owned subsidiary at US\$ 0.014 each fully paid, par value US\$ 0.014 each	-	229		
Nil (previous year: 1,000) common stock Aztecoft Disha Inc., U.S.A. a wholly owned subsidiary at US\$ 1 each fully paid at premium of US \$ 24 each	-	1		
	<u>31</u>	<u>698</u>		
Less: Provision for diminution in the value of investments	<u>2</u>	<u>2</u>		
	<u>30</u>	<u>697</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	0	19	0	188
<i>(158,663 units purchased / 18,917,620 units redeemed during the year)</i>				
ICICI Prudential Mutual Fund	0	2	0	202
<i>(6,814,539 units purchased / 8,729,142 units redeemed during the year)</i>				
IDFC Mutual Fund	11	7	106	71
<i>(67,321,250 units purchased / 63,863,913 units redeemed during the year)</i>				
UTI Mutual Fund	0	8	0	192
<i>(20,173,928 units purchased / 28,285,350 units redeemed during the year)</i>				
HSBC Mutual Fund	0	12	0	120
<i>(168,067,252 units purchased / 179,938,616 units redeemed during the year)</i>				
Franklin Templeton Mutual Fund	5	13	51	206
<i>(225,325 units purchased / 8,599,637 units redeemed during the year)</i>				
DSP Blackrock Mutual Fund	11	8	105	75
<i>(3,162,680 units purchased / 162,680 units redeemed during the year)</i>				
Birla Sun Life Mutual Fund	14	21	137	211
<i>(96,324,496 units purchased / 103,779,624 units redeemed during the year)</i>				
Reliance Mutual Fund	7	0	65	0
<i>(18,923,646 units purchased / 12,408,430 units redeemed during the year)</i>				
Tata Mutual Fund	16	0	156	0
<i>(15,671,340 units purchased / 31,407 units redeemed during the year)</i>				
Axis Mutual Fund	0	0	0	0
<i>(2,300,000 units purchased / 2,300,000 units redeemed during the year)</i>				
L&T Mutual Fund	6	0	65	0
<i>(12,949,494 units purchased / 6,471,627 units redeemed during the year)</i>				
Sundaram BNP Paribas Mutual Fund	0	0	0	0
<i>(39,658,466 units purchased / 39,658,466 units redeemed during the year)</i>				
			<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			<u>100</u>	<u>50</u>
			<u>270</u>	<u>170</u>
			<u>985</u>	<u>2,133</u>

MindTree Limited
Schedules to the balance sheet (continued)

	As at Dec 31, 2010	(Rs in Million) As at March 31, 2010
6 Sundry debtors		
<i>(Unsecured)</i>		
Debts		
- considered good	2,735	2,218
- considered doubtful	27	37
<i>Less: Provision for doubtful debts</i>	<u>34</u>	<u>37</u>
	<u><u>2,729</u></u>	<u><u>2,218</u></u>
7 Cash and bank balances		
Cash on hand	0	0.1
Balances with scheduled banks		
Current accounts	171	30
Deposit accounts	56	180
Balances with non-scheduled banks - in current accounts		
Wachovia Bank, N.A., USA	0	0
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
	<u><u>394</u></u>	<u><u>349</u></u>

MindTree Limited
Schedules to the balance sheet (continued)

	As at Dec 31, 2010	(Rs in Million) As at 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	881
Unbilled revenue	367	366
Advance tax and tax deducted at source, net of provision for taxes	685	534
MAT credit entitlement	108	3
	<u>2,302</u>	<u>1,785</u>
9 Current liabilities		
Advances from customers	60	39
Interest accrued but not due	0	0
Unearned revenue	50	56
Sundry creditors		
Expenses	96	83
Capital goods	88	39
Other liabilities	1,591	1,785
Unclaimed dividend	3	2
Book overdraft	54	40
Amount due from subsidiaries	0	451
	<u>1,942</u>	<u>2,495</u>
10 Provisions		
Proposed dividend	0	79
Provision for gratuity	34	0
Compensated absences	157	117
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	141	149
	<u>390</u>	<u>438</u>

MindTree Limited
Schedules to the profit and loss account

	(Rs in Million)			
	For the qtr ended		For the nine months ended	
	Dec 31, 2010	Dec 31, 2009	Dec 31, 2010	Dec 31, 2009
11 Software development expenses				
Salary and allowances	1,920	1,391	5,455	4,245
Contribution to provident and other funds	163	162	526	373
Staff welfare	20	15	57	38
Travel and conveyance	198	103	532	353
Communication expenses	10	11	28	49
Sub-contractor charges	97	80	332	287
Software purchases	21	12	44	30
Computer consumables	73	49	213	190
Rent	60	50	176	171
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>1,897</u>	<u>7,455</u>	<u>5,774</u>
12 Administrative and other expenses				
Salary and allowances	390	311	1,156	787
Contribution to provident and other funds	13	15	46	44
Travel and conveyance	57	33	154	92
Power and fuel	44	37	131	111
Rent	29	22	90	65
Lease rentals/charges	20	6	41	14
Telephone charges	22	21	64	54
Printing and stationery	4	2	14	12
Office maintenance	24	9	64	38
Exchange loss, net	0	0	0	0
Staff training expenses	15	10	36	24
Advertisement	3	2	6	8
Bank charges	2	1	6	4
Insurance	5	5	16	15
Rates and taxes	-9	2	2	25
Auditor's remuneration	3	3	9	7
Recruitment expenses	41	9	145	25
Repairs and maintenance				0
- Plant and machinery	4	3	8	7
- Others	16	2	32	4
Marketing expenses	36	12	79	44
Donations	1	0	1	0
Legal and professional expenses	55	43	133	103
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	49	107	100
	<u>812</u>	<u>602</u>	<u>2,385</u>	<u>1,638</u>
13 Interest				
Interest on term loans	1	0	2	12
Interest on short term credit / finance charges	0	0	0	13
	<u>1</u>	<u>0</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	78	179	81	538
Miscellaneous income	1	16	230	22
	<u>94</u>	<u>207</u>	<u>361</u>	<u>602</u>