



Mindtree Limited

(NSE: MINDTREE, BSE: 532819)

Earnings release

First quarter ended Jun 30, 2019

July 17, 2019

Welcome to possible

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Earnings Conference Call for Analysts / Investors

July 17, 2019 (5:30 PM IST)

Mindtree Limited will announce its financial results for the first quarter ended Jun 30, 2019 on Wednesday, July 17, 2019. The financial results will also be available in the investor section of the company's website <https://www.mindtree.com/about/investors>

Tele conference call for investor and analyst community is on Wednesday, July 17, 2019 at 5.30 p.m. IST.

Replay of conference call available until Jul 31, 2019
+91 22 71945757 +91 22 66635757 (Playback id: 230712#)

Transcript will be available on www.mindtree.com after July 22, 2019

Mindtree reports 10.3% y-o-y Revenue growth

Bangalore (India) and Warren (NJ), July 17, 2019: [Mindtree](#), a global technology services and Digital transformation company, guiding its clients to achieve faster business outcomes, announced its consolidated results today for the first quarter ended June 30, 2019 as approved by its board of directors.

“We have delivered stable results in the face of many uncertainties, reflecting the unique strengths of Mindtree”, said **“Rostow Ramanan, CEO & Managing Director, Mindtree.** “This quarter saw us achieve an all-time high contract closures which sets the pace for the rest of the year. While the external factors pose some challenges, nonetheless our focussed strategy and strong client relationships make us confident of delivering above Industry growth rates in FY 20 as well.”

Key financial highlights:

Quarter ended June 30, 2019

- In USD:
 - Revenue at \$264.2 million (growth of 0.8% q-o-q / 9.4% y-o-y)
Constant Currency growth of 1.1% q-o-q / 10.3% y-o-y
 - Net profit at \$13.4 million (decline of 52.7% q-o-q/ 42.7% y-o-y)

- In INR:
 - Revenue at ₹ 18,342 million (decline of 0.3% q-o-q / growth of 11.9% y-o-y)
 - Net profit at ₹ 927 million (decline of 53.3% q-o-q / 41.4% y-o-y)

Other highlights:

- Clients:
 - 346 active clients as of June 30, 2019
 - \$5 million clients grow by 1, total of 46

- People:
 - 20,935 Mindtree Minds as of June 30, 2019
 - Trailing 12 months attrition is 15.1%

- BOTs*:
 - Automation is playing a significant role in modernizing our technology service delivery, enhancing both efficiency and speed-to-results for our clients. We are proud to report our BOTs strength that autonomously work along-side our Mindtree Minds, enabling our team to do more and accomplish larger goals
 - We have 674 BOTs employed as of June 30, 2019

**Software that acts autonomously, free from any interference, human or otherwise, to perform a significant task which will otherwise be performed by a human*

- Multi-year and multi-million dollar wins with leading global clients:

New Clients:

- Mindtree signed a new contract with a leading Retail player in Consumer Electronics & Wireless Services to provide Scalable end to end managed services and drive Automation & Self Service ticketing
- Mindtree will be supporting to manage the Global key enterprise applications for a German automotive manufacturing company
- For a leading Insurance provider in North America, Mindtree will be managing their Policy & Billing platform implementation in Agile environment

Existing Clients:

- Mindtree will provide Network Engineering & Operations on Azure platform for an existing Global leader in computer software and technology
- Mindtree will be providing Application Development Services in Data & Personalization initiatives for an existing leading player in Hospitality industry of North America

- Recognition:
 - Mindtree received 'Best Compliance Framework of the Year' at the Compliance Leadership Summit & Awards 2019, hosted by UBS Forums
 - Magnet360, the Mindtree Salesforce practice, has been named a Leader in the USA and a Rising Star in Germany in Professional Services for Salesforce Sales and Service Cloud in the U.S. ISG Provider Lens™ 2019 Salesforce Ecosystem Quadrant Study
 - Mindtree has been recognized by Information Services Group (ISG), a leading global technology research and advisory firm, for its role in two of the top 25 examples of digital transformation in 2019, as featured in the newly published ISG book Digital Excellence: 25 Winning Partnerships



About Mindtree

Mindtree [NSE: MINDTREE] is a global IT consulting and services company which helps clients across 18 countries achieve business agility, competitive edge, and growth. We harness the power of Continuous Delivery, our digital expertise, industry knowledge, and research in emerging technologies to drive efficiencies and enable business innovation for over 346 clients.

Mindtree is consistently regarded as one of the best places to work. This is a reflection of our entrepreneurial, collaborative and dedicated “Mindtree Minds” who embody the winning culture that defines our commitment to excellence, innovation, and co-creation.

To learn more about us, visit www.mindtree.com or follow us @Mindtree_Ltd

Safe harbour

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause our actual results to differ materially from those in such forward-looking statements. We do not undertake to update any forward-looking statement that may be made from time to time by us or on our behalf.

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Key Financial Metrics

| ₹ million | Q1 FY2019 | Q4 FY2019 | Q1 FY2020 | Growth (%) | |
|-------------------|-----------|-----------|-----------|------------|---------|
| | | | | Q-o-Q | Y-o-Y |
| Revenue | 16,395 | 18,394 | 18,342 | (0.3)% | 11.9% |
| EBITDA | 2,310 | 2,803 | 1,841 | (34.3)% | (20.3)% |
| Net Profit | 1,582 | 1,984 | 927 | (53.3)% | (41.4)% |
| Diluted EPS (Rs.) | 9.62 | 12.05 | 5.64 | (53.2)% | (41.4)% |

| \$ million | Q1 FY2019 | Q4 FY2019 | Q1 FY2020 | Growth (%) | |
|------------|-----------|-----------|-----------|------------|---------|
| | | | | Q-o-Q | Y-o-Y |
| Revenue | 241.5 | 262.0 | 264.2 | 0.8% | 9.4% |
| EBITDA | 34.0 | 39.9 | 26.5 | (33.6)% | (22.1)% |
| Net Profit | 23.3 | 28.2 | 13.4 | (52.7)% | (42.7)% |

| Rupee Dollar Rate | Q1 FY2019 | Q4 FY2019 | Q1 FY2020 |
|---------------------|-----------|-----------|-----------|
| Period Closing rate | 68.45 | 69.18 | 68.94 |
| Period Average rate | 67.89 | 70.22 | 69.43 |

| Hedges outstanding at 30-Jun-19 | | |
|---------------------------------|-------|---------------|
| Currency | Value | Avg. Rate/INR |
| USD | 54.0 | 70.56 |
| EURO | 1.0 | 79.55 |
| GBP | 0.5 | 92.92 |

Total hedges outstanding in USD terms is 55.8M at an average ₹ rate of 70.58. These are fair value hedges expiring within 30-Sep-19.

Key Ratios

| Key Ratios | Q1 FY2019 | Q4 FY2019 | Q1 FY2020 |
|------------------------|-----------|-----------|-----------|
| EBITDA Margin (%) | 14.1% | 15.2% | 10.0% |
| Effective Tax Rate (%) | 26.8% | 25.6% | 26.6% |
| Net Profit Margin (%) | 9.6% | 10.8% | 5.1% |
| ROCE (%) | 29.1% | 32.9% | 15.4% |
| DSO (Days) | 67 | 70 | 66 |

Effective Tax Rate = Tax / PBT

ROCE = EBIT / Average Capital Employed. ROCE is annualized

Key Performance Highlights

- All time high deal closures of \$324M
- Utilization including trainees has improved to 77.2% in Q1 from 75.3% in previous quarter
- Improvement of 4 days in DSO
- Strong Cash flow conversions, EBITDA to operating cash flow conversion at 103.7% and to free cash flow is at 73.8%

Key Revenue Metrics

| Revenue by Geography | Q1 FY2019 | Q4 FY2019 | Q1 FY2020 |
|----------------------|---------------|---------------|---------------|
| US | 72.7% | 73.6% | 73.7% |
| Europe | 20.1% | 18.5% | 17.8% |
| India | 3.1% | 3.7% | 4.1% |
| Rest of the World | 4.2% | 4.2% | 4.4% |
| Total | 100.0% | 100.0% | 100.0% |

| Revenue by Industry | Q1 FY2019 | Q4 FY2019 | Q1 FY2020 |
|-----------------------------|---------------|---------------|---------------|
| Hi-Tech & Media | 38.9% | 39.6% | 39.4% |
| BFSI | 22.3% | 21.8% | 21.6% |
| Retail, CPG & Manufacturing | 23.1% | 22.2% | 22.2% |
| Travel & Hospitality | 15.8% | 16.4% | 16.8% |
| Total | 100.0% | 100.0% | 100.0% |

| Revenue by Service Offering* | Q1 FY 2019 | Q4 FY 2019 | Q1 FY 2020 |
|--|---------------|---------------|---------------|
| <i>Interactive</i> | 21.7% | 22.5% | 23.9% |
| <i>Data Science and Engineering services</i> | 10.3% | 10.9% | 10.5% |
| <i>Cloud Services</i> | 2.8% | 3.1% | 3.3% |
| <i>Others</i> | 0.1% | 0.5% | 0.3% |
| Digital | 34.9% | 37.0% | 38.0% |
| Test Engineering | 18.9% | 18.4% | 18.2% |
| Package Solutions | 9.5% | 8.0% | 7.4% |
| Infrastructure Management & Tech Support | 23.0% | 23.4% | 23.8% |
| ADM and Product Engineering | 13.8% | 13.2% | 12.6% |
| Total | 100.0% | 100.0% | 100.0% |

* Refer note on Service Offering

| Revenue by Project Type | Q1 FY2019 | Q4 FY2019 | Q1 FY2020 |
|---------------------------|---------------|---------------|---------------|
| Fixed Cost, Fixed Monthly | 56.4% | 55.9% | 55.3% |
| Time & Materials | 43.6% | 44.1% | 44.7% |
| Total | 100.0% | 100.0% | 100.0% |

Effort and Utilization

| Metrics | Q1 FY2019 | Q4 FY2019 | Q1 FY2020 | Growth (%) | |
|-----------------------------|------------------|------------------|------------------|-------------|--------------|
| | | | | Q-o-Q | Y-o-Y |
| Billed Hours | | | | | |
| Onsite | 1,603,168 | 1,714,802 | 1,762,770 | 2.8% | 10.0% |
| Offshore | 5,424,314 | 6,084,061 | 6,238,042 | 2.5% | 15.0% |
| Total | 7,027,482 | 7,798,863 | 8,000,812 | 2.6% | 13.9% |
| Fee Revenue (\$ 000) | | | | | |
| Fee Revenue | 237,427 | 258,256 | 260,339 | 0.8% | 9.7% |
| Utilization | | | | | |
| Including Trainees | 75.4% | 75.3% | 77.2% | | |
| Excluding Trainees | 76.3% | 77.1% | 77.9% | | |

Utilization is calculated as Billed Hours by Available Hours. Available hours does not exclude leave hours.

Key Client Metrics

| Metrics | Q1 FY2019 | Q4 FY2019 | Q1 FY2020 |
|--------------------------|-----------|-----------|-----------|
| Client Details | | | |
| Number of Active clients | 339 | 349 | 346 |
| New Clients Added | 24 | 15 | 12 |
| \$1 mn clients | 117 | 120 | 122 |
| \$5 mn clients | 39 | 45 | 46 |
| \$10 mn clients | 19 | 23 | 23 |
| \$25 mn clients | 4 | 4 | 4 |
| \$50 mn clients | 1 | 1 | 1 |
| \$100 mn clients | 1 | 1 | 1 |

Million Dollar Clients are based on trailing 12 months revenue.

| Client Contribution to Revenue | Q1 FY2019 | Q4 FY2019 | Q1 FY2020 |
|--------------------------------|-----------|-----------|-----------|
| Top Client | 19.4% | 19.8% | 20.1% |
| Top 5 Clients | 32.3% | 33.2% | 33.6% |
| Top 10 Clients | 43.5% | 42.9% | 43.0% |

Contribution to revenues is based on revenues for the quarter.

| Total Contract Value signed(TCV) (USD M) | Q1 FY2019 | Q4 FY2019 | Q1 FY2020 |
|--|------------|------------|------------|
| Renewals | 255 | 158 | 248 |
| New | 51 | 84 | 76 |
| Total | 306 | 242 | 324 |
| Expiring within 1 year | 259 | 218 | 271 |
| Expiring > 1 year | 47 | 23 | 53 |
| Digital | 139 | 126 | 137 |

Key Employee Metrics

| Mindtree Minds | Q1 FY2019 | Q4 FY2019 | Q1 FY2020 |
|--------------------------------|------------------|------------------|------------------|
| Total Mindtree Minds | 18,990 | 20,204 | 20,935 |
| Software Professionals | 17,837 | 19,017 | 19,681 |
| Sales | 242 | 256 | 266 |
| Support | 911 | 931 | 988 |
| Gross Additions | 1,934 | 1,072 | 1,684 |
| Net Additions | 1,267 | 296 | 731 |
| Attrition (Last Twelve Months) | 12.2% | 14.2% | 15.1% |
| Women employees | 30% | 31% | 30% |
| Nationalities* | 60 | 70 | 73 |

*Nationalities represent the count of countries to which Mindtree minds belong to.

| BOTs* | 406 | 576 | 674 |
|--------------|------------|------------|------------|
|--------------|------------|------------|------------|

*A BOT is defined as a software that acts autonomously, free from any interference, human or otherwise, to perform a significant task which will otherwise be performed by a human.

Audited Consolidated Financial Results for the Quarter Ended June 30, 2019 (₹ in millions, except per share data)

Rs in million, except per share data

| Particulars | Quarter ended | | | Year ended |
|---|---------------|----------------|---------------|----------------|
| | June 30, 2019 | March 31, 2019 | June 30, 2018 | March 31, 2019 |
| Revenue from operations | 18,342 | 18,394 | 16,395 | 70,215 |
| Other income, net | 220 | 290 | 279 | 893 |
| Total income | 18,562 | 18,684 | 16,674 | 71,108 |
| Expenses | | | | |
| Employee benefits expense | 12,532 | 11,504 | 10,395 | 44,212 |
| Finance costs (refer note 6) | 130 | - | 28 | 29 |
| Depreciation and amortisation expense (refer note 6) | 669 | 428 | 400 | 1,641 |
| Other expenses | 3,969 | 4,087 | 3,690 | 15,358 |
| Total expenses | 17,300 | 16,019 | 14,513 | 61,240 |
| Profit before tax | 1,262 | 2,665 | 2,161 | 9,868 |
| Tax expense | | | | |
| Current tax (refer note 8) | 354 | 712 | 647 | 2,456 |
| Deferred tax | (19) | (31) | (68) | (129) |
| Net profit for the period | 927 | 1,984 | 1,582 | 7,541 |
| Other comprehensive income: | | | | |
| A. (i) Items that will not be reclassified to profit or loss | (35) | (7) | (45) | (86) |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | 8 | 2 | 11 | 21 |
| B. Items that will be reclassified to profit or loss | - | - | 121 | 262 |
| Total other comprehensive income | (27) | (5) | 87 | 197 |
| Total comprehensive income for the period | 900 | 1,979 | 1,669 | 7,738 |
| Paid up equity share capital (face value Rs. 10/- each) | 1,645 | 1,642 | 1,640 | 1,642 |
| Reserves | 31,888 | 31,419 | 27,067 | 31,419 |
| Earnings per share (EPS): | | | | |
| Basic EPS (Rs.) | 5.64 | 12.08 | 9.65 | 45.94 |
| Diluted EPS (Rs.) | 5.64 | 12.05 | 9.62 | 45.85 |

AUDITED SEGMENT REVENUE AND RESULTS

Rs in million

| Particulars | Quarter ended | | | Year ended |
|---|---------------|----------------|---------------|----------------|
| | June 30, 2019 | March 31, 2019 | June 30, 2018 | March 31, 2019 |
| Segment revenue | | | | |
| Retail, CPG and Manufacturing | 4,077 | 4,076 | 3,782 | 15,660 |
| Banking, Financial Services and Insurance | 3,953 | 4,015 | 3,655 | 15,472 |
| High Technology and Media | 7,226 | 7,290 | 6,370 | 27,586 |
| Travel and Hospitality | 3,086 | 3,013 | 2,588 | 11,497 |
| Total | 18,342 | 18,394 | 16,395 | 70,215 |
| Segment results | | | | |
| Retail, CPG and Manufacturing | 575 | 674 | 615 | 2,579 |
| Banking, Financial Services and Insurance | 190 | 184 | 121 | 628 |
| High Technology and Media | 892 | 1,560 | 1,264 | 5,810 |
| Travel and Hospitality | 184 | 385 | 310 | 1,628 |
| Total | 1,841 | 2,803 | 2,310 | 10,645 |
| Unallocable | | | | |
| Expenses | 669 | 428 | 400 | 1,641 |
| Finance costs | 130 | - | 28 | 29 |
| Other income | 220 | 290 | 279 | 893 |
| Profit before tax | 1,262 | 2,665 | 2,161 | 9,868 |

Notes on segment information
Principal segments

The Group is structured into four industry verticals – Retail, CPG and Manufacturing (RCM), Banking, Financial Services and Insurance (BFSI), High Technology and Media (Hi-tech) and Travel and Hospitality (TH). Accordingly, the Group 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 Consolidated Financial Results for the Quarter Ended June 30, 2019 (₹ in millions, except per share data)

| Particulars | Rs in million | |
|--|---------------|----------------|
| | As at | |
| | June 30, 2019 | March 31, 2019 |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 3,777 | 3,757 |
| Capital work in progress | 474 | 297 |
| Right-of-use assets (refer note 6) | 5,998 | - |
| Goodwill | 4,732 | 4,732 |
| Other intangible assets | 1,070 | 1,180 |
| Financial assets | | |
| Investments | 908 | 1,200 |
| Loans | 524 | 675 |
| Deferred tax assets (Net) | 407 | 388 |
| Other non-current assets | 1,806 | 1,889 |
| | 19,696 | 14,118 |
| Current assets | | |
| Financial assets | | |
| Investments | 8,534 | 6,836 |
| Trade receivables | 13,153 | 13,356 |
| Cash and cash equivalents | 1,900 | 2,562 |
| Loans | 25 | 123 |
| Other financial assets | 2,400 | 2,528 |
| Other current assets | 2,185 | 2,267 |
| | 28,197 | 27,672 |
| TOTAL ASSETS | 47,893 | 41,790 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Equity share capital | 1,645 | 1,642 |
| Other equity | 31,888 | 31,419 |
| | 33,533 | 33,061 |
| Liabilities | | |
| Non-current liabilities | | |
| Financial liabilities | | |
| Borrowings | - | 5 |
| Lease liabilities (refer note 6) | 5,122 | - |
| Other financial liabilities | 1 | 1 |
| Other non current liabilities | - | 173 |
| | 5,123 | 179 |
| Current liabilities | | |
| Financial liabilities | | |
| Lease liabilities (refer note 6) | 579 | - |
| Trade payables | | |
| Total outstanding dues of micro enterprises and small enterprises | 4 | 3 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 2,346 | 2,128 |
| Other financial liabilities | 2,362 | 2,434 |
| Other current liabilities | 1,743 | 1,837 |
| Provisions | 1,514 | 1,399 |
| Current tax liabilities (Net) | 689 | 749 |
| | 9,237 | 8,550 |
| | 14,360 | 8,729 |
| TOTAL EQUITY AND LIABILITIES | 47,893 | 41,790 |

Audited Consolidated Financial Results for the Quarter Ended June 30, 2019 (₹ in millions, except per share data)
AUDITED CONSOLIDATED CASH FLOW INFORMATION

| Particulars | Rs in million | | |
|--|-----------------------------------|-----------------------------------|---------------------------------|
| | Quarter ended June 30, 2019 | Quarter ended June 30, 2018 | Year ended March 31, 2019 |
| A. Net cash flow from operating activities | 1,910 | 114 | 6,305 |
| B. Net cash flow from/ (used in) investing activities | (1,763) | 755 | (1,933) |
| C. Net cash flow (used in) financing activities | (813) | (2,429) | (5,221) |
| D. Effect of exchange differences on translation of foreign currency cash and cash equivalents | 5 | 75 | 133 |
| Net increase / (decrease) in cash and cash equivalents (A+B+C+D) | (661) | (1,485) | (716) |
| Cash and cash equivalents at the beginning of the period | 2,559 | 3,275 | 3,275 |
| Cash and cash equivalents at the end of the period | 1,898 | 1,790 | 2,559 |

Notes to audited consolidated financial results for the quarter ended June 30, 2019

- The above results were reviewed by the Audit Committee and thereafter have been adopted by the Board at its meeting held on July 17, 2019.
- The Board of Directors, at its meeting held on April 17, 2019, had declared an interim dividend of 30% (Rs 3 per equity share of par value Rs 10 each) which was paid during the period and resulted in a cash outflow of Rs 594 million including dividend distribution tax of Rs 101 million. The Board of Directors had recommended a final dividend of 40% (Rs 4 per equity share of par value Rs 10 each) for the financial year ended March 31, 2019 which was approved by the shareholders at the Twentieth Annual General Meeting of the Company held on July 16, 2019. Further, the Board of Directors had recommended a special dividend of 200% (Rs 20 per equity share of par value Rs 10 each) to celebrate the twin achievements of exceeding USD 1 billion annual revenue milestone and 20th anniversary of the Company which was also approved by the shareholders at the Twentieth Annual General Meeting of the Company held on July 16, 2019.
- The statement of consolidated financial results have been audited by the Company's auditors. The Company's auditors have issued an unmodified audit opinion on the consolidated financial results. The audit report has been filed with the stock exchanges and is also available on the Company's website.
- As per the arrangement mentioned in the draft letter of offer of Larsen & Toubro Limited ('L&T') dated April 02, 2019, received by the Company, the shares held by (a) V. G. Siddhartha (b) Coffee Day Trading Limited and (c) Coffee Day Enterprises Limited aggregating to 19.95% of the shares in Mindtree Limited was transferred to SCB Escrow A/C - Project Carnation, Lotus & Marigold. The above shareholding interest was subsequently transferred to L&T during the quarter. The shareholding of L&T as at June 30, 2019 is 28.86% which has increased to 60.59% subsequent to the balance sheet date pursuant to which, the Company has become a subsidiary of L&T. Accordingly, L&T has become the Promoter / ultimate Parent Company.
- The following board changes have taken place during July - 2019:
 - At the Board meeting held on July 5, 2019, Mr. Krishnakumar Natarajan, Executive Chairman, Mr. Parthasarathy NS, Executive Vice Chairman and Chief Operating Officer and Mr. Rostow Ramanan, CEO and Managing Director of the Company have submitted their resignations, as members of the Board of Directors of Mindtree Limited and as employees of the Company. They will stay as Board members till July 17, 2019 and as employees in line with their employment contracts to ensure smooth transition.
 - Mr. Subroto Bagchi, Non-Executive Director of the Company, who retires by rotation did not offer himself for re-appointment at the Twentieth Annual General Meeting held on July 16, 2019.
 - The Nomination and Remuneration Committee and the Board of Directors of the Company have approved and recommended the appointments of Mr. Sekharipuram Narayanan Subrahmanyam, Mr. Jayant Damodar Patil and Mr. Ramamurthi Shankar Raman as Non-Executive Directors of the Company with effect from July 16, 2019 and the shareholders have approved the same at the Twentieth Annual General Meeting of the Company held on July 16, 2019.
 - The Nomination and Remuneration Committee and the Board of Directors of the Company have approved and recommended the appointment of Mr. Prasanna Rangacharya Mysore as Independent Director of the Company for a period commencing from July 16, 2019 to March 31, 2022 and the shareholders have approved the same at the Twentieth Annual General Meeting of the Company held on July 16, 2019.
 - The Nomination and Remuneration Committee and the Board of Directors of the Company have approved and recommended the appointment of Mrs. Deepa Gopalan Wadhwa as Independent Director of the Company for a term of five years from July 16, 2019 to July 15, 2024 and the shareholders have approved the same at the Twentieth Annual General Meeting of the Company held on July 16, 2019.
- The Group has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Group has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at April 1, 2019. As a result, the comparative information has not been restated.

On transition to Ind AS 116, the Group recognised right-of-use assets amounting to Rs 6,369 million, related accumulated depreciation amounting to Rs 138 million, lease liabilities amounting to Rs 5,800 million and Rs 157 million (credit) in retained earnings as at April 1, 2019. The Group has discounted lease payments using the applicable incremental borrowing rate as at April 1, 2019 for measuring the lease liability.

During the quarter, the Group has recognized interest expense on lease liabilities amounting to Rs 130 million and depreciation on right-of-use assets amounting to Rs 233 million.

7 Audited financial results of Mindtree Limited (Standalone Information)

| Particulars | Rs in million | | |
|-------------------------|---------------|----------------|---------------|
| | Quarter ended | | Year ended |
| | June 30, 2019 | March 31, 2019 | June 30, 2018 |
| Revenue from operations | 18,342 | 18,394 | 16,395 |
| Profit before tax | 1,262 | 2,664 | 2,161 |
| Profit after tax | 927 | 1,983 | 1,582 |

Note: The audited results of Mindtree Limited for the above mentioned periods are available in the investors section in www.mindtree.com and also with the stock exchanges where it is listed. The information above has been extracted from the audited financial statements as stated.

- Tax expense for the year ended March 31, 2019 is after considering the tax reversal arising pursuant to the Scheme of Amalgamation of the Company's wholly-owned subsidiary.

- EPS for the interim periods are not annualized.

For more information, please contact:

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Safe Harbor:

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause our actual results to differ materially from those in such forward-looking statements. We do not undertake to update any forward-looking statement that may be made from time to time by us or on our behalf.

Welcome to possible