

June 8, 2012

Stock Rating
Overweight

Industry View
In-Line

MindTree Ltd.

Raise PT and earnings estimates; maintain OW

What's Changed

Price Target	Rs565.00 to Rs765.00
F13e and F14e EPS	Up by 23% and 21%

Despite slower revenue growth in PE services and moderating revenue growth in IT services, we still expect 14% yoy US\$ revenue growth overall. We factor in rupee gains and raise our EPS estimates; our PT rises to Rs765. We believe stronger than expected US\$ revenue growth could trigger re-rating.

Management expects to deliver higher than industry revenue growth in F13e: After flattish revenues in PE services in F12, management expects single-digit revenue growth in F13e. In IT services, management indicated that the pipeline remains strong; however, conversion is taking longer. Cross-currency movements could eat into 1Q US\$ revenue growth by 100 to 150 bps qoq, in our view. We forecast US\$ revenue growth of ~14% yoy in F13e, in line with NASSCOM forecasts for industry growth.

Margins hold upside in F13e: MindTree has deferred wage hikes from April to the month of June. Deferral of wage hikes and steep rupee depreciation so far should help margins for 1Q. Management expects to improve margins by another 100 to 150 bps yoy in F13 and any currency impact should further add to margins. Given strong rupee depreciation, we believe margins could surprise positively in F13e. We have assumed the benefit of rupee depreciation to EBIT margins (~13.7%, +200bps yoy) in F13e at Rs52.5/US\$.

Valuation looks attractive: We have raised our earnings estimates by 23% for F13e and 21% for F14e on improved margin assumptions. The stock is currently trading at ~9-10x our revised estimates vs. earnings CAGR of 15% over F12-14e.

Key Ratios and Statistics

Reuters: MINT.BO Bloomberg: MTCL IN
India Software

Price target	Rs765.00
Up/downside to price target (%)	21
Shr price, close (Jun 6, 2012)	Rs634.70
52-Week Range	Rs636.95-321.20
Sh out, dil, curr (mn)	40
Mkt cap, curr (mn)	Rs25,618
EV, curr (mn)	Rs22,378
Avg daily trading value (mn)	Rs66

Fiscal Year ending	03/12	03/13e	03/14e	03/15e
ModelWare EPS (Rs)	54.13	65.18	71.79	78.72
Prior ModelWare EPS (Rs)	50.68	52.94	59.42	-
Consensus EPS (Rs)§	50.33	58.79	65.19	72.67
Revenue, net (Rs mn)	19,152	24,160	26,976	30,165
EBITDA (Rs mn)	2,930	4,106	4,630	5,217
ModelWare net inc (Rs mn)	2,185	2,711	3,045	3,402
P/E	9.0	9.7	8.8	8.1
P/BV	2.1	2.2	1.8	1.5
RNOA (%)	29.9	41.6	33.4	32.9
ROE (%)	28.1	28.3	25.2	22.8
EV/EBITDA	5.6	5.4	4.5	3.5
Div yld (%)	0.3	0.8	0.8	0.8
FCF yld ratio (%)	13.2	3.5	10.0	13.0
Leverage (EOP) (%)	(33.8)	(27.1)	(33.1)	(40.5)

Unless otherwise noted, all metrics are based on Morgan Stanley ModelWare framework (please see explanation later in this note).

§ = Consensus data is provided by Thomson Reuters Estimates.

e = Morgan Stanley Research estimates

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Financial Summary: MindTree Limited

Profit and Loss Statement (Rs m)

Yr to Mar	F2011	F2012	F2013e	F2014e	F2015e
Revenues	15,091	19,152	24,160	26,976	30,165
% yoy	16.4%	26.9%	26.1%	11.7%	11.8%
Rev in USDm	331	403	460	539	609
% yoy	21.5%	21.7%	14.3%	17.2%	12.9%
Employee exp	9,853	12,261	15,130	16,916	18,916
Other exp	3,459	3,961	4,923	5,430	6,032
EBITDA	1,779	2,930	4,106	4,630	5,217
Margin (%)	11.8%	15.3%	17.0%	17.2%	17.3%
% yoy	-27.6%	64.7%	40.1%	12.8%	12.7%
Depreciation	712	695	791	909	1004
EBIT	1,067	2,235	3,316	3,721	4,213
Margin (%)	7.1%	11.7%	13.7%	13.8%	14.0%
% yoy	-40.9%	109.5%	48.4%	12.2%	13.2%
Interest	4	5	2	2	2
Other income	242	385	97	135	151
PBT	1,305	2,615	3,410	3,854	4,362
Margin (%)	8.6%	13.7%	14.1%	14.3%	14.5%
% yoy	-48.8%	100.4%	30.4%	13.0%	13.2%
Total Tax	288	430	699	809	960
Eff tax rate(%)	22.1%	16.4%	20.5%	21.0%	22.0%
PAT	1,017	2,185	2,711	3,045	3,402
% yoy	-52.7%	114.9%	24.1%	12.3%	11.7%
Basic EPS	25.6	54.3	66.0	72.6	79.6
FD EPS	24.9	54.2	65.2	71.8	78.7

Cash Flow Statement (Rs m)

Yr to Mar	F2011	F2012	F2013e	F2014e	F2015e
PAT	1,017	2,186	2,711	3,045	3,402
Depreciation	712	695	791	909	1,004
Working Cap Changes	(1,275)	(453)	(1,805)	(745)	(852)
Goodwill	154	-	-	-	-
Operating cash flow	608	2,428	1,697	3,209	3,554
Capex	(260)	(253)	(1,465)	(1,338)	(951)
Free cash flow	348	2,175	232	1,872	2,604
Others	-	-	-	-	-
Investing cash flow	(260)	(253)	(1,465)	(1,338)	(951)
Investments	160	(1,970)	-	-	-
Dividends	(199)	(60)	(206)	(210)	(214)
Reserves Adj	(394)	(405)	-	(0)	0
Debt	15	398	116	65	74
Change in cash	(64)	143	149	1,735	2,472
Cash at beginning	523	459	602	751	2,486
Cash at end	459	602	751	2,486	4,959

Balance Sheet (Rs m)

Yr to Mar	F2011	F2012	F2013e	F2014e	F2015e
Fixed Assets	3,034	2,676	3,350	3,779	3,725
Investments	1,112	3,082	3,082	3,082	3,082
Deferred tax assets	216	321	461	623	815
Debtors	2,825	4,078	5,163	5,765	6,446
Cash	459	602	751	2,486	4,959
Loans and Advances	2,506	2,587	4,038	4,508	5,041
Total CA	5,790	7,267	9,951	12,760	16,446
TOTAL ASSETS	10,152	13,346	16,845	20,243	24,068
Loans	46	444	560	625	699
Current Liabilities	1,814	2,606	3,287	3,671	4,105
Provisions	530	724	913	1,020	1,140
Shareholder Funds	7,762	9,572	12,084	14,927	18,124
Total Liabilities	10,152	13,346	16,845	20,243	24,068

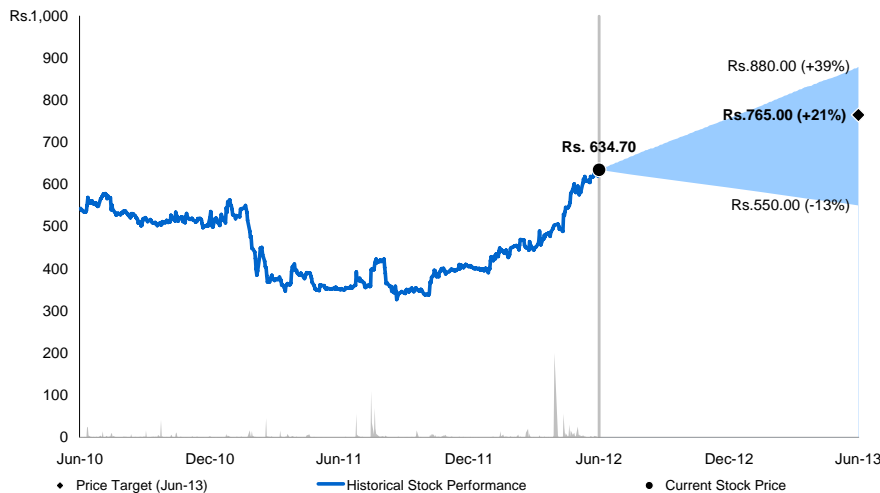
Key ratios and assumptions

Yr to Mar	F2011	F2012	F2013e	F2014e	F2015e
Rupee	45.6	47.6	52.5	50.0	49.6
YoY Growth (% Chg)	-4%	4%	10%	-5%	-1%
Utilization	65%	65%	65%	67%	67%
Employees	9,547	11,000	12,500	14,175	15,875
Revenue Growth (%)	16%	27%	26%	12%	12%
EBITDA Margins	11.8%	15.3%	17.0%	17.2%	17.3%
Net Margins (%)	6.7%	11.4%	11.2%	11.3%	11.3%
Net Profit Growth (%)	-53%	115%	24%	12%	12%

E = Morgan Stanley Research estimates
Source: Company data, Morgan Stanley Research

Risk-Reward Snapshot: MindTree (MINT.BO, Rs635, OW, PT Rs765)

Risk-reward: still favorable on our revised scenario values



Investment Thesis

- US\$ revenue growth should remain in line with that of industry, as per NASSCOM, in our view.
- Management expects to improve margins in F13 (on a constant currency basis). Given strong rupee depreciation, we believe margins could surprise positively in F13e. We forecast margins at 13.7% in F2013e.
- F13e P/E is just 10x vs. an earnings CAGR of 15% over F12-14e, based on our revised estimates.
- We have raised our base case value 20% and our bull case value 22%...
- ...while lifting our bear case value 72% and cutting our bear case weighting to 10%.

Key Value Drivers

- Deeper client penetration could help MindTree grow at a faster pace than the industry. Higher revenue per client may lead to margin leverage and improve profitability.
- Strong client ramp-up could lead to faster-than-expected revenue growth.
- Higher market share for MindTree in its existing client base.
- Investments in new initiatives

Potential Catalysts

- Indications of further productivity gains on improving utilization and rationalization of operating expenses.
- Announcement of large deals/improved pricing.
- Currency stability.

Key Risks

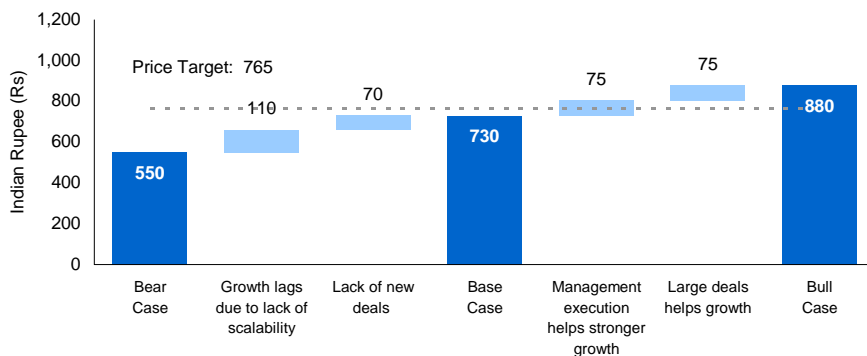
- Delays in ramp-ups and deal closures could hurt F13e revenue growth outlook.
- Lower-than-expected earnings due to slower-than-expected recovery in product engineering revenues.
- Lower profitability on fixed-price (FP) projects could hurt margins.

Price Target Rs765

Derived from probability-weighted average of bull (35%), bear (10%) and base cases (55%) from DCF model.

Bull Case Rs880	Implies 13x Bull case F13e EPS	Organic/inorganic growth initiatives deliver: MindTree grows significantly ahead of industry average rates. We assume F2013 USD revenue growth of 20%+ and strong improvement in EBIT margins further. Revenue and EBIT CAGRs of 17.7% and 18.5% over F2012-21e, respectively.
Base Case Rs730	Implies 11x Base case F13e EPS	Grows in line with industry: We expect ~14% USD revenue growth with EBIT margin of 13.7% for F2013e. Longer term, we expect margins to decline gradually and forecast revenue and EBIT CAGRs of 12.8% and 13.7%, respectively, over F2012-21e.
Bear Case Rs550	Implies 9x Bear case F13e EPS	Slower client penetration: Lack of deep client penetration could keep revenue growth slower than the industry. Revenue and EBIT CAGRs of 10% and 8.5%, respectively, over F2012-21e.

Bear to Bull: Currency gains to benefit margins further in F13e



Source: Thomson Reuters, Morgan Stanley Research

We remain Overweight on MindTree; our new price target is Rs765

We think strong earnings growth could spur further outperformance

MindTree stock has strongly outperformed YTD – up 56% vs. the 6% gain in the Sensex (6%). Over the last few quarters, MindTree has continued to surprise positively and delivered earnings ahead of expectations, leading to increased estimates.

We believe the company should continue to deliver strong earnings growth in F13e: US\$ revenue growth should be in line with that of the industry, as per NASSCOM forecasts, and EBIT margin should improve strongly. We forecast strong revenue and EBIT growth of 26% and 48% yoy in F13e. However, due to increase in effective tax rates, earnings growth is likely to be ~20% yoy in our view.

US\$ revenue growth should be in line with that of the industry, as per NASSCOM forecasts, and EBIT margin should improve strongly. We forecast strong revenue and EBIT growth of 26% and 48% yoy in F13e. However, due to increase in effective tax rates, earnings growth is likely to be ~20% yoy in our view.

Expect US\$ revenue growth of 14% yoy in F13e... We expect PE services (33% of revenues) to grow at mid-single digits yoy in F13e (vs. flat yoy in F12) and expect IT services (67% of revenues) to grow at high teens in F13e due to lack of large deals ramp-ups similar to F12 and the current uncertain macro environment. Overall, revenue growth may not be significantly ahead of industry in F13e and have lowered our US\$ revenue growth forecasts for F13e-14e by ~1%. We forecast US\$ revenue CAGR of 16% over F12-14e.

...with continued improvement in margins... MindTree improved its operating margins significantly in F12 – +460bps yoy, to 11.7%. Even so, we think its exit margins of 15.5% and recent rupee depreciation should help it absorb the impact of wage hikes and improve margins further in F13e. We forecast EBIT margins to improve in F13e to 13.7% (+200bps yoy), leading to EBIT growth of 48% yoy. The increase in projected EBIT margins is partly driven by our revised currency assumptions.

...driving 20% yoy earnings growth for MindTree in F13: Strong EBIT growth would be partially offset by FX losses on hedges and higher tax rates, leading to earnings growth of 20% yoy in F13e. Overall, we forecast earnings CAGR of 15% over F12-14e.

What's changed?

We have lowered our US\$ revenue forecasts for F13e-14e by ~1%, reflecting management commentary that outlook for product engineering services have weakened over last few months.

MindTree has moved up its EBIT margins from 6.8% in 1Q to 15.5% in 4Q. We believe MindTree would be able to improve its operating margins in F13e to ~13.7%. (vs our earlier forecast of 11.5%).

We have revised our currency assumptions by 5% (from Rs50/US\$ earlier to Rs52.5/US\$ for F13e).

Overall, the above changes have resulted in our earnings forecasts for F13e and F14e moving up by 23% and 21%, respectively.

Exhibit 1

Summary of earnings estimate revisions over F13e-14e

Year to March (Rs m)	F2013e	F2014e
Old US\$ revenues	466	545
New US\$ revenues	460	539
<i>% change</i>	-1.3%	-1.0%
Old rupee rate	50.0	49.5
New rupee rate	52.5	50.0
<i>% change</i>	5.0%	1.0%
Old revenues	23,301	26,992
New Revenues	24,160	26,976
<i>% change</i>	3.7%	-0.1%
Old EBIT	2,670	3,047
New EBIT	3,316	3,721
<i>% change</i>	24.2%	22.1%
Old net income	2,195	2,512
New net income	2,711	3,045
<i>% change</i>	23.5%	21.2%
Old EPS	52.9	59.4
New EPS	65.2	71.8
<i>% change</i>	23.1%	20.8%

Source: Morgan Stanley Research Estimates

Valuation Methodology

We have raised our price target to Rs765 per share: We factor in the following:

- Our earnings estimate increases (plus higher assumptions in our bear case)
- A lower probability for our bear case scenario, and accordingly higher weightings for our bull and base cases

Our price target for the stock is derived as the weighted average probability of our risk-reward scenarios. [PT Rs765 = Rs880*35% +Rs730*55% +Rs550*10%]. We derive our scenario values using discounted cash flow (DCF) methodology. Our CoE assumption remains 11.4%.

Base Case

Weighting to 55% from 50%: We have adjusted our probability weighting for our base case to reflect higher visibility and certainty for our revised earnings forecasts.

Value to Rs730 per share (up 20% from Rs610): This increase is in line with the revisions in our earnings estimates over F13e-14e. In our base case, we believe MindTree should deliver US\$ revenue growth in line with NASSCOM's forecast of 11-14% yoy in F13e, with improved margins helped by currency.

Over the longer term (F2012-21e), we expect revenue and EBIT CAGRs of 12.8% and 13.7% respectively (previously 13.2% and 16.7%, respectively over F11-21e). Our revised assumptions reflect the higher base of F2012 and hence they appear lower than our previous forecasts over F2011-21e.

Our base-case value implies a P/E of 11x F2013e base case EPS, which is in-line with its long-term average of 12x one year forward earnings.

Bull Case

Weighting to 35% from 25%: We have raised our bull case because MindTree continues to deliver earnings ahead of expectations and stronger than expected revenue growth could lead to further upside in our margin assumptions.

Value to Rs880 per share (up 22% from Rs720): We have raised our bull case scenario value in part because MindTree continued to deliver earnings ahead of expectations through

F12. We believe that in our bull case, MindTree would continue to grow significantly ahead of industry-average rates.

We forecast revenue and EBIT CAGRs of 17.7% and 18.5% respectively over F12-21e (previously 18% and 22.5% respectively, over F2011-21E). Our revised assumptions are on the higher base of F2012 and hence appear lower than our previous forecasts over F2011-21e.

Our bull case implies a P/E of 13x F2012e bull case EPS. This is closer to the higher end of the P/E band (6x-18x) in which the stock has traded over the last 12 months.

Bear Case

Weighting to 10% from 25%: The lower probability we attach to our bear case scenario now reflects lower downside risks to our estimates, since the rupee has depreciated significantly over the last 1-2 months, which benefits MindTree's margins. Further, in the event of any improvement in business environment, MindTree could deliver stronger US\$ revenue growth than a low benchmark (of ~8-10% US\$ revenue growth) in our bear case scenario.

Value to Rs550 per share (up 72% from Rs320): We believe strong earnings in F12 have set the base for performance in F13e. MindTree's 4Q revenue run rate would imply growth of ~4% yoy in F13e. We believe that even in our bear-case scenario, MindTree should be able to generate low-teens earnings growth in rupee terms in F13e, helped by currency depreciation.

Our long-term forecasts for revenue and EBIT CAGR are 10% and 8.5%, respectively, over F2012-21e (previously 6.9% and 5.5% respectively over F11-20e).

Our bear case implies a P/E of 9x F2013e bear case EPS. This is closer to the lower end of the P/E band (6x-18x) in which the stock has traded over last 12 months.

Downside risks to our price target

- 1) Despite budget closures and flat to higher budgets yoy, MindTree's revenue growth could falter because of a tough macro environment and continued delays in decision making.
- 2) Slow recovery in PE services revenues could drag on revenue growth.
- 3) Rupee appreciation and higher costs drag on margins.

June 8, 2012

MindTree Ltd.

Exhibit 3

MindTree: Base-case DCF Assumptions (Rs m, %)

Year	0	0	1	2	3	4	5	6	7	8	9
Yr to March	F11	F12	F13	F14	F15	F16	F17	F18	F19	F20	F21
Revenues (Rs m)	15,091	19,152	24,160	26,976	30,165	33,671	37,517	41,727	46,325	51,338	56,791
% yoy	16.4%	26.9%	26.1%	11.7%	11.8%	11.6%	11.4%	11.2%	11.0%	10.8%	10.6%
EBIT	1,067	2,235	3,316	3,721	4,213	4,635	5,089	5,577	6,099	6,656	7,080
EBIT margin (%)	7.1%	11.7%	13.7%	13.8%	14.0%	13.8%	13.6%	13.4%	13.2%	13.0%	12.5%
Effective Tax Rate	22.1%	16.4%	20.5%	21.0%	22.0%	24.0%	26.0%	25.5%	25.3%	25.1%	24.9%
Tax-adjusted EBIT	831	1,867	2,636	2,940	3,286	3,523	3,766	4,155	4,556	4,986	5,317
Depreciation & Amortzn	712	695	791	909	1,004	1,054	1,061	1,055	1,033	990	925
% of revenue	4.7%	3.6%	3.3%	3.4%	3.3%	3.1%	2.8%	2.5%	2.2%	1.9%	1.6%
NOPLAT	1,543	2,562	3,427	3,849	4,290	4,576	4,828	5,210	5,589	5,976	6,242
Change in WC	(1,275)	(453)	(1,805)	(745)	(852)	(1,363)	(1,499)	(1,645)	(1,802)	(1,968)	(2,146)
Capex	(260)	(253)	(1,465)	(1,338)	(951)	(1,077)	(1,182)	(1,294)	(1,413)	(1,540)	(1,675)
% of revenue	1.7%	1.3%	6.1%	5.0%	3.2%	3.2%	3.2%	3.1%	3.1%	3.0%	3.0%
Free cash flow	8	1,856	157	1,767	2,488	2,136	2,146	2,271	2,374	2,467	2,421

Source: Company data, Morgan Stanley Research

Exhibit 4

MindTree: Base-case DCF Value per Share (Rs)

No of Equity Shares (million)	41.0
Net (Debt)/Cash (Rs m)	3,240
Equity Value (Rs m)	26,864
Value of 100% equity stake (Rs m)	26,864
DCF Value Per Share (Rs)	655
DCF Value Per Share (one year forward) Rs	730

Source: Company data, Morgan Stanley Research

Exhibit 5

Cost of equity Assumptions

Cost of equity (%)	
India risk free rate (%) (1)	6.0%
risk premium	8.0%
Market return (2)	14.0%
Beta (3)	0.68
Cost of equity (%) {1+3*(2-1)}	11.4%

Source: Company data, Morgan Stanley Research



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Global Stock Ratings Distribution

(as of May 31, 2012)

For disclosure purposes only (in accordance with NASD and NYSE requirements), we include the category headings of Buy, Hold, and Sell alongside our ratings of Overweight, Equal-weight, Not-Rated and Underweight. Morgan Stanley does not assign ratings of Buy, Hold or Sell to the stocks we cover. Overweight, Equal-weight, Not-Rated and Underweight are not the equivalent of buy, hold, and sell but represent recommended relative weightings (see definitions below). To satisfy regulatory requirements, we correspond Overweight, our most positive stock rating, with a buy recommendation; we correspond Equal-weight and Not-Rated to hold and Underweight to sell recommendations, respectively.

Stock Rating Category	Coverage Universe		Investment Banking Clients (IBC)		
	Count	% of Total	Count	% of Total IBC	% of Rating Category
Overweight/Buy	1133	38%	471	43%	42%
Equal-weight/Hold	1250	42%	472	43%	38%
Not-Rated/Hold	99	3%	27	2%	27%
Underweight/Sell	461	16%	121	11%	26%
Total	2,943		1091		

Data include common stock and ADRs currently assigned ratings. An investor's decision to buy or sell a stock should depend on individual circumstances (such as the investor's existing holdings) and other considerations. Investment Banking Clients are companies from whom Morgan Stanley received investment banking compensation in the last 12 months.

Analyst Stock Ratings

Overweight (O or Over) - The stock's total return is expected to exceed the total return of the relevant country MSCI Index, on a risk-adjusted basis over the next 12-18 months.

Equal-weight (E or Equal) - The stock's total return is expected to be in line with the total return of the relevant country MSCI Index, on a risk-adjusted basis over the next 12-18 months.

Not-Rated (NR) - Currently the analyst does not have adequate conviction about the stock's total return relative to the relevant country MSCI Index on a risk-adjusted basis, over the next 12-18 months.

Underweight (U or Under) - The stock's total return is expected to be below the total return of the relevant country MSCI Index, on a risk-adjusted basis, over the next 12-18 months.

Unless otherwise specified, the time frame for price targets included in Morgan Stanley Research is 12 to 18 months.

Analyst Industry Views

Attractive (A): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be attractive vs. the relevant broad market benchmark, as indicated below.

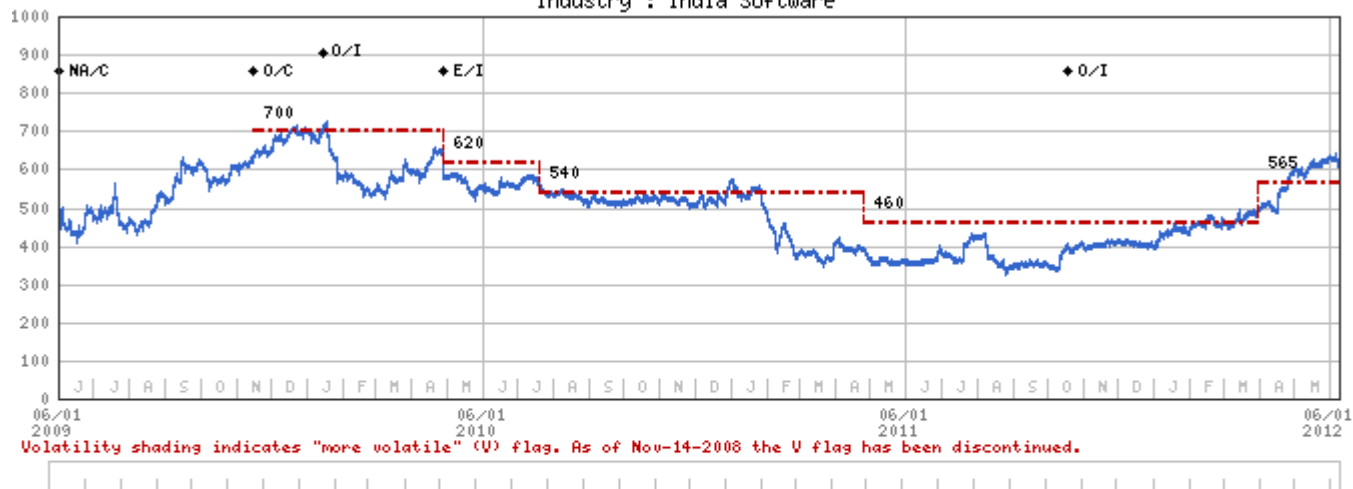
In-Line (I): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be in line with the relevant broad market benchmark, as indicated below.

Cautious (C): The analyst views the performance of his or her industry coverage universe over the next 12-18 months with caution vs. the relevant broad market benchmark, as indicated below.

Benchmarks for each region are as follows: North America - S&P 500; Latin America - relevant MSCI country index or MSCI Latin America Index; Europe - MSCI Europe; Japan - TOPIX; Asia - relevant MSCI country index.

Stock Price, Price Target and Rating History (See Rating Definitions)

MindTree Ltd. (MINT.BO) - As of 6/7/12 in INR
Industry : India Software



Stock Rating History: 6/1/09 : NA/C; 11/16/09 : O/C; 1/14/10 : O/I; 4/29/10 : E/I; 10/18/11 : O/I
Price Target History: 6/29/08 : NA; 11/16/09 : 700; 4/29/10 : 620; 7/20/10 : 540; 4/26/11 : 460; 3/30/12 : 565

Source: Morgan Stanley Research Date Format : MM/DD/YY Price Target --- No Price Target Assigned (NA)
Stock Price (Not Covered by Current Analyst) --- Stock Price (Covered by Current Analyst) ---
Stock and Industry Ratings (abbreviations below) appear as ♦ Stock Rating/Industry View
Stock Ratings: Overweight (O) Equal-weight (E) Underweight (U) Not-Rated (NR) More Volatile (V) No Rating Available (NA)
Industry View: Attractive (A) In-line (I) Cautious (C) No Rating (NR)

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June 8, 2012

MindTree Ltd.

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Industry Coverage: India Software

Company (Ticker)	Rating (as of)	Price* (06/06/2012)
Vipin Khare		
Genpact Limited (G.N)	E (08/26/2008)	US\$15.28
HCL Technologies (HCLT.BO)	O (08/26/2009)	Rs497.25
Hexaware Technologies Limited (HEXT.BO)	E (04/28/2011)	Rs126
Infosys Limited (INFY.BO)	O (01/14/2011)	Rs2,452.95
MindTree Ltd. (MINT.BO)	O (06/08/2012)	Rs609.6
Mphasis Limited (MBFL.BO)	U (08/20/2009)	Rs349.45
Tata Consultancy Services (TCS.BO)	E (07/20/2009)	Rs1,240.45
Tech Mahindra Limited (TEML.BO)	++	Rs668.7
WNS Global Services (WNS.N)	E (03/11/2009)	US\$10.49
Wipro Ltd. (WIPR.BO)	O (09/02/2011)	Rs400.8
Gaurav Rateria		
Infotech Enterprises (INFE.BO)	O (03/01/2012)	Rs166

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* Historical prices are not split adjusted.